

TOWN OF NORTH ANDOVER MASSACHUSETTS



TOWN MEETING ADOPTED BUDGET FISCAL YEAR 2016



North Andover Central Fire Station



TOWN OF NORTH ANDOVER, MASSACHUSETTS

FISCAL YEAR 2016

FINANCIAL PLAN AND OPERATING BUDGET

General, Capital Projects and Enterprise Funds

July 1, 2015 – June 30, 2016

BOARD OF SELECTMEN

Richard M. Vaillancourt, Chairman

William F. Gordon, Clerk

Rosemary Connelly Smedile

Donald B. Stewart

Tracy M. Watson, Licensing Chairman

TOWN MANAGER

Andrew W. Maylor



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

Town of North Andover

Massachusetts

For the Fiscal Year Beginning

July 1, 2014

Jeffrey R. Brown

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented its award for Distinguished Budget Presentation to the Town of North Andover for the annual budget for the year beginning July 1, 2014. In order to receive this award, a government unit must publish a budget document that meets award criteria as a policy document, as an operational guide, as a financial plan and as a communication medium. This award is valid for one year only. We believe our current budget continues to conform to program requirements and we're submitting it to the GFOA to determine its eligibility for another award.

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Andrew W. Maylor

Town Manager

February 10, 2015

Telephone (978)688-9510

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Executive Summary

Town Manager Recommended Budget Fiscal 2016

I am pleased to submit for your review and consideration the Fiscal 2016 Town Manager Recommended General Fund and Enterprise Fund Budgets for the Town of North Andover. This financial plan was developed with the adopted Budget Policy Statement as a backdrop and predicated on our desire to deliver a sustainable level of services while honoring our commitment to be stewards of the community.

As first communicated in the Five Year Financial Forecast back in December, each department was asked to develop their budgets assuming a 3.5% year over year budget increase. I am pleased to announce that the departments worked diligently to stay within that framework and the Town Manager Recommended Budget for FY16 assumes that 3.5% increase for the Total Municipal Budget and the budget for the North Andover Public Schools. Additionally, on January 29, 2015, the North Andover School Committee voted unanimously to adopt the recommendation of the School Superintendent for a 3.5% increase. Our town meeting members have communicated their expectation that we reach consensus and the success we have had during the past three years to improve our infrastructure while building reserves and delivering high quality services has been the result of unprecedented cooperation between all of the town's elected and appointed officials, specifically the Board of Selectmen, School Committee, and Finance Committee.

As I stated at the recent Annual Chamber of Commerce Mayors/Managers event, for those of us in local government in North Andover we do not see ideology and competence as mutually exclusive terms, but instead we believe that there is such a thing as the "ideology of competence" and it is the

basis of our relationship with the residents and businesses that we serve. This year that “competence” will translate financially into our continued commitment to build reserves, including a unique recommendation that we establish a SPED Stabilization Fund, and the continued realignment of staff to match service level expectations. Additionally, the transition to the Group Insurance Commission for employee health insurance has not only been a positive fiscal game changer but it has also allowed us to begin to address the Other Post Employment Benefits (OPEB) liability while providing health care holidays for employees in FY15 and FY16. As part of the Town Meeting Warrant I will recommend that we transfer \$1million from the town’s health care trust fund to an OPEB trust fund, managed by the Commonwealth, as a way to further address the OPEB liability. What follows is a brief explanation of the highlights of the recommended budget contained herein.

Fiscal 2016 General Fund Budget Highlights

Revenue

The revenues for Fiscal 2016 Recommended General Fund Budget total \$89,348,722 or a 3.3% increase compared to the Fiscal 2015 approved budget. The revenues are estimated to increase by \$2.8 million year over year and are based on the recommendation of the Revenue and Fixed Cost Review Committee with the exception of the use of Free Cash for **Capital and Reserves** which are described in more detail later in this document. Property taxes are assumed to increase by 3.6% or \$2.3 million based on the provisions of Proposition 2 ½ and added New Growth. Local Receipts, which include revenue streams such as the local meals tax, motor vehicle excise tax, and building fees, are expected to increase by .8% or \$72k. Specifically, the assumption for the largest category within local receipts, motor vehicle excise, is budgeted to be level funded at \$3.7 million in FY16, although there have been recent signs that over the next several years this amount will begin to show the steady growth it had prior to FY08. The final state school building assistance payment of \$412k for the high school was paid to the town in FY15 and when combined with level funding of other state aid categories the result is a net decrease in state aid of \$412k. Until the final state budget is signed by the Governor (sometime well after the Annual Town Meeting), we will not be certain about the effect on state aid of implementing full-day free Kindergarten in FY15; however, we expect the effect to be positive. The indirect costs incurred by the Enterprise Funds and reimbursed to the General Fund are the primary revenue source in the Operating Transfers category. However, the reimbursement by Community Programs for the cost of the modular classrooms in the amount of

\$62k was also categorized here and those payments ended in FY15 resulting in an overall decrease of \$25k in FY16.

Expenses

Total recommended General Fund Spending for FY16 is \$89,348,722 or a 3.3% increase compared to the Fiscal 2015 approved budget.

Non-Departmental/Fixed Costs

This category represents approximately 28% of all General Fund spending. The budget recommendation incorporates the Revenue and Fixed Cost Review Committee estimates, as well as adding recommendations made under **Capital and Reserves**, and an additional \$402k for an expected increase in Health Insurance premiums, for a total of \$24.7 million or an increase of 4.3%. This increase drops to 3.3% when excluding the increase to **Capital and Reserves** (explanation below). The Retirement Assessment of \$4.1 million, an increase of \$312k, is based on a funding schedule independently prepared for the Essex Regional Retirement Board of which North Andover is the largest member. The 8.3% increase in this category should be expected annually for the next decade or more. Health insurance premiums for active and retired employees will increase this year by upwards of 9.5% after averaging less than 5% during the past 5 years. Current year spending in this category is tracking very well and therefore, the recommendation is that actual budgeted spending will only need to increase by 3.6% to cover next year's costs. There are projected increases in the town's various insurance accounts (Workers Compensation, Police and Fire, and Property and Liability) although nothing notable. A retrospective three year view of Unemployment Compensation has led to a recommendation to decrease this category by \$50k. A change in state accounting practices will result in the cost of students attending Essex Agricultural being reported separately from Assessment for the first time and a corresponding reduction in State Assessments. An anticipated increase in the number of students attending Greater Lawrence Vocational Technical High School has resulted in a recommendation that this expense be increased by \$74k.

Capital and Reserves

This line item within the Non-Departmental/Fixed Costs category includes recommended and required transfers to various reserve accounts in the amount of approximately \$2 million. Specifically, in FY16 the recommended budget includes the annual appropriation to the Capital Stabilization Fund of \$213k consistent with the adopted Financial Reserve Policy.

Also consistent with that policy I am pleased to announce that an appropriation of only \$64k needs to be made to the General Stabilization Fund to achieve the 5% reserve standard which has been our goal. In past years this amount has been in excess of \$600k. Both of these requests will be funded from Free Cash. The Overlay Reserve Fund is used to pay for approved property tax abatements and the recommended amount of \$550k this year is consistent with past years. The Overlay Reserve Fund is funded by Operating Revenues.

There are two new one-time recommendations in the Capital and Reserves category. First, \$408k is recommended to fund a 27th (as opposed to the normal 26) payroll which impacts the budget in certain years based on the effect of leap years, the fact that a 365 calendar year does not divide equally in to 7 day weeks, and the method by which the Town accounts for payroll. Both public and private sector organizations have to deal with this issue. As a reminder to the Board, the Town accounts for 100% of the payroll of a pay period based on the fiscal year of the pay date, not when the salary is earned. The Finance Committee and the Town agreed many years ago to treat this as an anomaly and fund it as a one-time expense in the fiscal year it occurred. The 27th payroll does not increase wages in anyway; it is just the result of the timing of pay periods. Therefore, it was not included in the municipal budget, but in this category and funded by Free Cash. Based on our estimates the next 27th pay period will be in FY27. Second, I am recommending that the Town take the unique step and establish a Special Education Stabilization Fund in the amount of \$750,000. The intention is to help stabilize spending on regular education by providing a reserve to deal with unexpected costs in Special Education primarily as the result of out of district placements after the budget has been adopted. I am in the process of developing a reserve policy that outlines when and how the fund can be used. I am recommending that this new reserve be funded from Free Cash.

School and Municipal Government Spending

As mentioned previously, school department spending and municipal spending increase by 3.5% in this recommended budget. It should be noted that although Total Municipal spending has increased by the recommended 3.5%, from department to department the percentage increases may vary as a result of priorities established in the Budget Policy Statement, other agreed upon priorities or unexpected costs. An example would be the 3.7% increase in Library spending to help align staffing with service delivery, or the 4.5% increase in Public Safety spending that is in part the result of the payouts associated with expected retirements. Also, Salary Reserve line items have been budgeted in

each of the municipal categories to account for estimated salary increases for those union employees whose contracts expire in FY15 or for exempt employees not covered by union contracts. The amounts in the various salary reserves represent a 2.25% budgetary increase. Two additional notes, the ESCo project will yield approximately \$300,000 in net savings (81% school department, 19% municipal government departments) which will stay with the individual departments in addition to the 3.5%. Also, the \$92k in annual rent savings for the school administration space at Osgood Landing will remain with the school department. The maintenance and utility costs associated with the new administration building will be funded from the school department budget.

Staffing

General Fund – School Department

The approved School Department Budget for FY16 recommends an increase of 3.3 Full Time Equivalent (FTE) employees. There is an increase in Paraprofessionals and Aides from 102.2 FTEs to 103.2 FTEs. Additionally, the budget calls for an increase of 2.3 FTE in Teachers and Other Professionals.

General Fund - Municipal Government

Municipal General Fund staffing for FY16 represents a .15 FTE increase from FY15. As you are aware the goal for the past four fiscal years has been to properly align staffing with the service expectations and service delivery of municipal departments. Examples of that in FY16 are adding a 1.0 FTE Benefits Specialist to the Human Resources Department to address the impact of transferring to the GIC and in recognition of our need to focus more energy on our most important resource, our employees. Additionally, an ongoing evaluation of the needs of Veteran's Department led us several years ago to add a .4 FTE to that department. Last year I recommended that increase to .5 FTE and in FY16 we can achieve the proper staffing by making that a .6 FTE, or an addition of .1 FTE. With the hiring of a new director, the focus of Community Development has broadened to include encouraging economic development. As you know, to assist in that process an employee was promoted to assistant director (adding 1.0 FTE) to focus internally on enhancing the permitting process, amongst other initiatives, and allowing the director to focus on fostering business relationships. Finally, Library staffing has been of particular focus during the past two years and in FY16 I am recommending the addition of part-time hours to existing employees which will result in a .30 FTE increase.

Given our desire to maintain staffing at sustainable levels, most of the increases above came as a result of reassigning existing staff or reducing staff. As an example, the reduction of hours of two positions (one the result of a retirement) and the allocation of those duties to an existing employee, led to 1.0 FTE reduction in the Accounting Department. In addition, the Zoning Board clerical position was cut to by .5 FTE based on an evaluation of the workload of that department. Also, the .5 FTE administrative assistant in the Town Manager/Selectmen Department assumed the aforementioned Benefits Specialist role and was not backfilled thereby resulting in a .5 FTE reduction in that department. Finally, there has been a reallocation of .25 FTE from the Department of Public works to the Sewer Enterprise Fund in recognition of the proper funding source for the position. Please note that the position realignments and additions above will result in no new health insurance contracts or increases in benefits.

Support Services

The Support Services category represents those departments which deliver services to both school and general government departments, in other words, shared services. For budgeting purposes, the costs to operate these departments are established and accounted for prior to the allocation of remaining funds to other departments. In FY16 this category is recommended to decrease by \$140k or 8.2% which is largely attributed to a decrease of \$152,391 in Information Technology. As you may recall the Town decided to implement a unified financial and permitting software product beginning in FY15 to replace the multiple products that exist currently. In FY15 this required the Town to pay support costs for both the current and new products which will no longer be the case from FY16 forward; therefore, resulting in a reduction in cost. Please note that the preventative maintenance contract (approximately \$55k) related to the ESCo project will be paid for by the departments which will see the energy savings. Additionally, a recent bid for auditing services yielded a low bid which is \$4k per year less than the current contract amount.

Fiscal 2016 Enterprise Fund Budget Highlights

Water

The recommended Water Enterprise Fund budget for FY16 will see a 4.8% decrease from FY15 (\$5.3 million vs. \$5.6 million) attributable to a \$424k decrease in debt service. Total Personnel Costs are recommended to increase by \$43k or 4.9% while other non-debt related expenses are expected to

increase by approximately 3.6% or \$110k. The fund balance in the Water Enterprise Fund has reached the four months worth of operating reserves ceiling per the Financial Reserve Policy and any retained earnings in excess of that amount will be used to offset rates through pay-as-you-go capital purchases. If the recommended budget is approved by Town Meeting, water rates should remain unchanged for the 4th consecutive fiscal year.

Sewer

The recommended Sewer Enterprise Fund budget for FY16 will see a 4.3% decrease from FY15 (\$4.5 million vs. \$4.7 million) attributable to a \$407k decrease in debt service resulting in a \$253k decrease in overall expenditures. Total Personnel Costs are recommended to increase by \$49k or 13.9% largely attributable to a .25 FTE transfer to this fund from Public Works in the General Fund (See “Staffing”). Other non-debt related expenses are expected to increase by 3.3% or \$154k almost exclusively the result of the increase in the assessment for the Greater Lawrence Sanitary District (increase of \$66k) and pay-as-you-go capital spending of \$80k. The fund balance in the Sewer Enterprise Fund has reached the four months worth of operating reserves ceiling per the Financial Reserve Policy and any retained earnings in excess of that amount will be used to offset rates through pay-as-you-go capital purchases. If the recommended budget is approved by Town Meeting, sewer rates should remain unchanged for the 4th consecutive fiscal year.

Stevens Estate

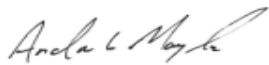
The performance of the Stevens Estate in FY15 has been remarkably strong and I fully expect that the Fund will generate its fourth consecutive profitable year in 2015. Given the nature of how Enterprise Funds operate and the for-profit context of the Estate, in order to keep pace with the increased bookings the expenses will need to increase. Therefore, I am not concerned that expenses will increase more than 10% year over year (from \$293k to \$323k), since this means that bookings and ultimately revenue will increase accordingly.

Conclusion

The development of this recommended budget would not be possible without a commitment by all departments to review each and every line item in their budgets so that their FY16 requested funding is consistent with our goals of sustainability, stewardship, and service, while being mindful of the limits of our funding. We are extremely fortunate to have such a professional and skilled staff that is committed to excellence. I do need to single out Finance and Budget Director Lyne Savage

and Assistant Town Manager Ray Santilli for their invaluable assistance in helping me prepare this budget. The professional comradery that exists between all those involved in the budget process has made North Andover a model community that others surely would like to emulate. I am confident that you will find that the material contained within this document is consistent with the purposes and policies prioritized by the Board in the Budget Policy Statement and I look forward to working with you and the Finance Committee between now and Town meeting.

Regards,

A handwritten signature in cursive script, appearing to read "Andrew W. Maylor".

Andrew W. Maylor

Town Manager

Town Organization

Background

The Town of North Andover is located in Essex County, approximately 24 miles north of Boston. The Town lies along the banks of the Merrimack River and is surrounded by the Towns of Boxford, Andover, Middleton, North Reading, and the Cities of Lawrence, Haverhill and Methuen. The settlement of the Town began in 1640 and was incorporated as Andover in 1646. The community was split into the North Parish (now North Andover) and South Parish (now Andover) in 1709 and North Andover was incorporated as a separate entity in 1855. North Andover is governed by an open Town Meeting form of government, a five-member Board of Selectmen and a Town Manager pursuant to a Home Rule Charter that went into effect in 1986. Although North Andover contains several industrial parks, the Town has retained a rural character and contains over 3,000 acres of preserved open space. North Andover is served by Route 495, Route 125, Route 133 and Route 114. North Andover is a thriving community with an excellent school system, efficient services and a strong commitment to its citizens.

The Town provides general governmental services for its citizens, including police and fire protection, collection and disposal of refuse, public education for pre-kindergarten through grade twelve, water and sewer services, parks and recreation, health and social services, libraries/culture as well as maintenance of streets and other infrastructures. The Merrimack Valley Regional Transit Authority ("MVRTA") provides bus coverage for certain routes around the Town with connections to the surrounding communities with the Merrimack Valley area.

Town Charter

The Town is governed by a home rule charter that provides for an Open Town Meeting - Board of Selectmen - Town Manager form of town government; with Town Meeting defined as the Legislative body, Board of Selectmen as the Executive body and the Manager as the Chief Administrative Officer. In accordance with Chapter 2 “the legislative powers of the town shall be exercised by a town meeting open to all registered voters of the town”. As defined in Chapter 3 “the Board of Selectmen shall serve as the chief goal-setting and policy-making agency of the town and, as such, shall not normally administer the day-to-day affairs of the town, but shall instead regularly direct the Town Manager to help it in carrying out its administrative duties, and make recommendations to the town meeting relating to actions required to be taken by that body.” As defined in Chapter 4 “the Town Manager shall be the chief administrative officer of the town and shall be responsible for administering and coordinating all employees, activities and departments placed by general law, this charter or by-law under the control of the Board of Selectmen and of the Town Manager.”

Board of Selectmen

Richard M. Vaillancourt, Chairman
William F. Gordon, Clerk
Rosemary Connelly Smedile
Donald B. Stewart
Tracy M. Watson, Licensing Chairman

School Committee

The School Committee has general charge and superintendence of the public schools of the Town. The School Committee is comprised of five members elected at large. The School Committee has the power to select and terminate a superintendent of schools, establish educational goals and policies for the schools consistent with the requirements of the laws of the Commonwealth and standards established by the Commonwealth. The School Committee also has all the power and duties given to school committees by the laws of the Commonwealth.

The members of the 2014-2015 School Committee are:

Andrew McDevitt, Chair
Brian Gross, Vice Chair
Stanley Limpert, Clerk
David Torrisi, Member
Zora Warren, Member

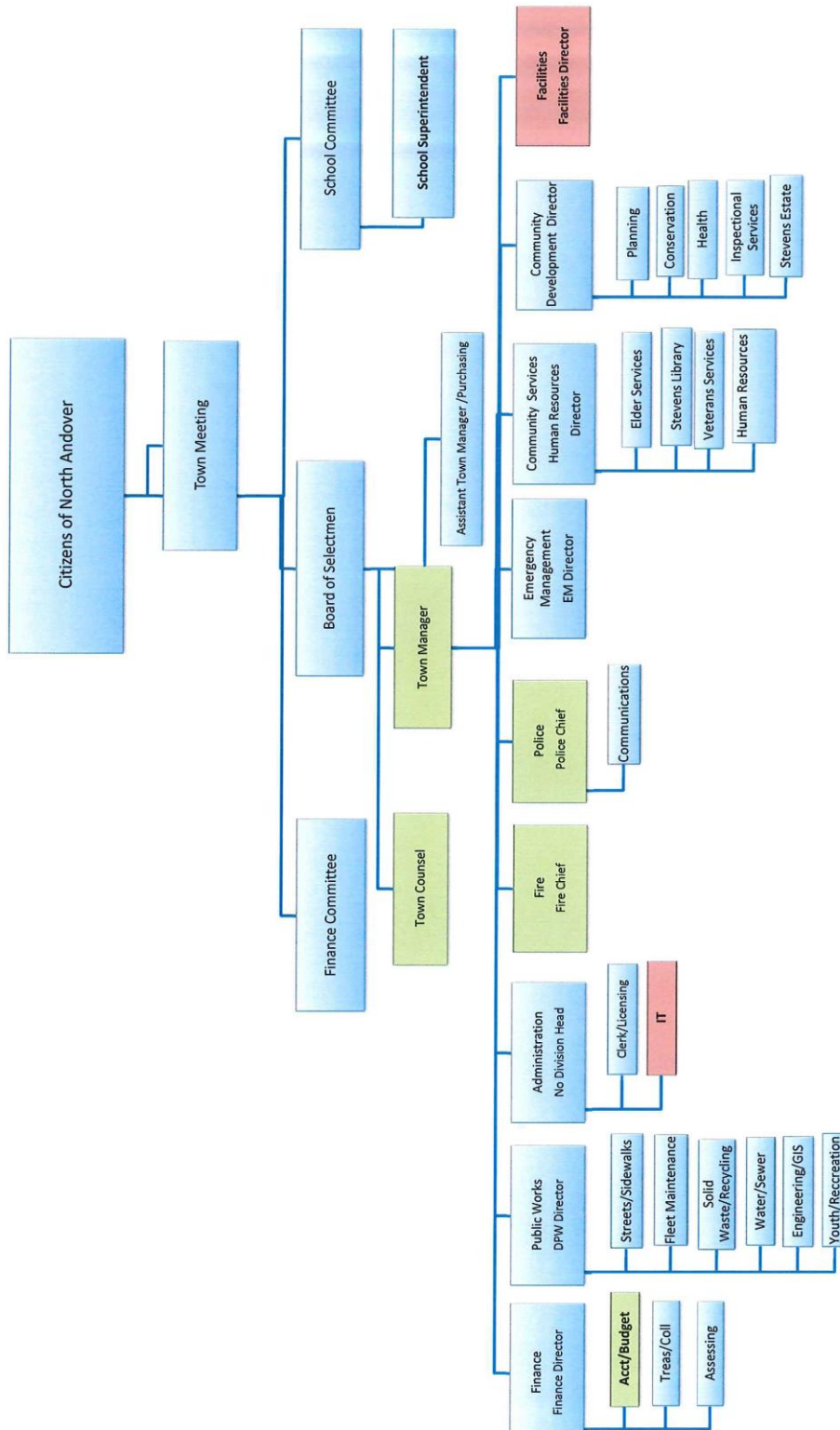
Revenue Fixed Cost Review Committee

The Revenue Fixed Cost Review Committee advises the Town Manager on revenue, other financial sources and fixed cost projections for the town operating budgets. The Committee shall consist of two finance committee members, the School Superintendent, the Director of Finance and Administration, and the Town Accountant. The Town Manager shall serve as an ex-officio member of the committee. The Committee shall meet within thirty (30) days but no later than December 1st of the issuance of the Board of Selectmen budget policy statement provided for in Chapter 9, Section 2-3 of the Town Charter and shall report to the Town Manager and the Finance Committee their initial estimates for revenue and other financial sources projections and fixed cost estimates for the following year's annual operating budget within forty-five (45) days of the Committee's first meeting. The Committee's report shall identify and describe all revenue and financing sources and anticipated fixed costs and shall provide a written rationale supporting estimates contained therein.

Boards and Commissions

In addition to being shaped and influenced by the Town's elected officials and appointed staff, Town policy and programs are impacted by the actions of the Town's Boards and Commissions. The size, responsibility and source of authority of the Town's Boards and Commissions vary. With the exception of those members who derive their appointments as a result of their position in Town government and the Town Charter mandating their membership, the Board of Selectmen or the Town Manager appoints new members in accordance with the Town Charter along with the remaining members of the respective board in accordance with the provisions of general law.

TOWN OF NORTH ANDOVER ORGANIZATIONAL CHART



Boxes in Red indicate joint Town/School departments.
Boxes in Green represent Department Head Appointed by Selectmen

PRINCIPAL OFFICIALS		
Department	Official (s)	Additional Areas of Authority
Accounting	Lyne Savage, Town Accountant	Finance Director, Budget Director
Administration	Andrew Maylor, Town Manager	
	Raymond Santilli, Assistant Town Manager	Purchasing Agent
Assessing	Garrett Boles, Assessor	
Community & Economic Development	Eric Kfoury, Director	
Conservation Department	Jennifer Hughes, Administrator	
Elder Services	Irene O'Brien, Director	
Emergency Management	Jeff Coco, Manager	
Facilities Management	Stephen Foster, Manager	
Fire Department	Andrew Melnikas, Chief	
Health Department	Susan Sawyer, Manager	
Human Resources	Cathy Darby, Director	
Information Technology	Vacant, Director	
Inspectional Services	Gerald Brown, Inspector of Buildings	Plumbing, Electrical
Library	Kathleen, Keenan, Director	
Planning Department	Vacant, Manager	
Police Department	Paul Gallagher, Chief	
Public Works	Bruce Thibodeau, Director	Water, Sewer, Streets, Fleet, Buildings, Solid Waste
Stevens Estate	Erin Flannery, Director	
Town Clerk	Joyce Bradshaw, Clerk	
Treasurer/Collector	Jennifer Yarid, Treasurer / Collector	
Veterans Services	Edward Mitchell, Veterans Agent	
Water Treatment Plant	Linda Hmurciak, Manager	
Youth & Recreation Services	Richard Gorman, Manager	

Budget Policy Objectives and Related Goals

The financial constraints which existed in the first decade of this century have been replaced with an environment of relative fiscal stability, especially during the past three years. The FY16 spending plan will continue to focus on maintaining the Town's commitment to the "Fundamentals" a set of policy objectives that seek to promote a single, pro-North Andover agenda predicated on sustainability and stewardship. Contained within those Fundamentals are priorities established by the Board of Selectmen as part of their strategic planning process. The primary focus of the Fundamentals, assuming these priorities, includes:

- Financial - steadily improving the Town's financial condition through balancing budgets and advancing responsible reserve policies that strengthen local government's flexibility to act on pressing needs while protecting against the impacts of economic downturns that could threaten municipal services delivery and the viability of the Town government. ***The Board will continue to implement the financial reserve policies adopted on February 10, 2014 to achieve acceptable reserve standards, along with increasing pay-as-you go capital funding, reducing the OPEB liability and maintaining a structurally balanced budget. The Town will seek to expand regional strategic partnerships with surrounding communities.***
- Economic Development – further supporting the Town through an aggressive agenda that seeks to attract new revenue in a variety of forms, including property tax, auto excise tax and building inspection fees. ***Specifically, the Town will begin the implementation phase of the "vision" created for the Rte. 125 corridor detailed in the UMass Center for Economic Development report. The Town will also continue to engage state officials and other stakeholders to address needed pedestrian and other improvements along Rte. 114. The Town will continue to pursue parking enhancements along the Main Street Business Corridor to improve access to businesses and town hall.***
- Neighborhood Enhancement – continually producing improvements in each and every neighborhood of the Town by updating infrastructure through a functioning Capital Improvement Program, cleaning streets, enhancing open space, and tackling and resolving long-standing problems. ***The Town will continue with the five (5) year roadway improvement plan and provide an updated plan on the Town website. The Town will also develop a plan to improve the streetscape in the downtown, machine shop village and library areas, including replacing and maintaining the trees in those areas. The Board will focus on developing a preliminary plan for a Sports Field Complex located at the Middle/Atkinson Schools, in addition to improving municipal and school playgrounds. The Board will review certain parcels in town that have a potential for large scale development to determine if the Town may be interested in pursuing any parcels that, if developed, may have a detrimental impact on delivery of town services. The Town will seek assistance from the state to install noise barriers along Route 495 and to limit the amount of temporary signs on public property.***

- Community Development – fully encouraging partnerships between Town government and its stakeholders in North Andover's success, including other governmental entities, the business community, non-profit leaders, neighborhood groups and individual residents, in order to support a broad array of programs and initiatives that may or may not be Town-run, but are all supportive of the Town's desire to promote the advancement of its families and individual residents over a broad range of human needs, including, but not limited to, affordable housing, health care, education and job training. ***In FY16, the Board will reach out to local large business leaders seeking input regarding growing and retaining businesses in town. The Town will continue to explore increasing transportation options for North Andover to and from Boston via bus or rail. Additionally, the Board supports the continued ownership by the Town of the Stevens Estate and the surrounding open space, but will explore the cost/benefit of the Estate's ancillary structures and grounds.***
- Public Safety – constantly improving upon the protection of the public and its property by initiating policy and providing the necessary resources, be it training, staffing or equipment, to effectively carry-out the missions of the Town's law enforcement, fire and emergency management agencies. ***The Board will work with the police department and collaborate with other communities to develop a plan to address substance abuse and drug trafficking problems affecting our area.***
- Governmental Philosophy – becoming a more open, responsive and responsible municipal government that not only hears the needs of its people, but develops and initiates efforts designed to address those needs in an honest, fair, equitable, accountable and cost-effective manner, while never sacrificing good government for the benefit of those whose goals run counter to that of a pro-North Andover agenda. ***In FY16, the Town will remain committed to the implementation of the Facilities Master Plan adopted by the Town Meeting of 2012, reach out to departments to get feedback regarding priorities and make improvements to the Town's website and continue to use a variety of electronic communication systems to inform the public. On an annual basis, the Board will review and update their policies and procedures.***

Challenges Addressed in the Fiscal Year 2016 Budget

As in previous years the FY16 Budget is predicated on an agenda that strives to promote a “Pro North Andover” environment both locally and regionally. It focuses on the “Fundamentals”, a set of broad policy statements regarding the Financial, Economic Development, Neighborhood Enhancement, Community Development, Public Safety and Governmental Philosophy objectives that will guide the Town, in one form or another, for years to come. Specifically, the FY16 Budget addresses major challenges relating to those Fundamentals, including:

Defining and Managing Budget Issues for FY16 and Beyond – Identifying and managing budgetary issues in the face of a new economic environment which is remarkably unpredictable has represented an annual challenge during the past several years and FY16 is no different. That being said, our emphasis on budgeting conservative revenue growth, recommending structurally balanced budgets and building reserves to adequate levels has positioned us to weather almost any financial storm. However, short term successes should not be confused with true sustainability and decision makers must remain focused on the long term and avoid “feel good” short term thinking.

Promote Economic Development, Asset Improvement and Maintenance– The FY16 Budget contains funding for organizational changes which we believe will assist in attracting new businesses and retaining existing ones. Also, increased funding of pay-as-you-go capital projects is an important component of this budget, consistent with the past several years, as is the continued funding of the Town’s Reserve Funds. The continued investment in the Town’s capital assets, including the next phase of the Facilities Master Plan, will reduce the costs associated with having to replace failing systems prior to the end of their anticipated useful life.

Delivering High Quality Services that are Sustainable in the Long Term – The FY16 Budget is in balance without the use of one-time revenues (other than to fund reserves and the 27th pay period) for the fourth consecutive year. In recognition of the impact that the uncertainty of Special Education costs can have on ensuring the delivery of a quality education for all children in North Andover, this budget recommends that a Special Education Stabilization Fund be established. The goal is to provide a funding mechanism to address extraordinary situations which could lead to shifting funds from other education programs to cover unexpected special education costs. As has been the consistent theme for the past several years, the goal is to create sustainable service delivery.

Development of the Fiscal Year 2016 Budget

The budget development process is structured to integrate long range planning with the specific short term decisions that need to be made in the upcoming fiscal year's budget. The Town has adopted the Government Finance Officers Association (GFOA) budget format and other tools to enhance the thoughtfulness and depth of the information gathering process that ultimately leads to an approved comprehensive financial plan. The framework of the budget development process includes:

Strategic Budget - Based on Long-Term Policies and Plans - The budget process begins with a strategic planning session involving the Town Manager and Board of Selectmen which includes a review of the adopted long-term plans including the Five Year Financial Forecast, the Five Year Capital Improvement Plan, the Facilities Master Plan, and the Open Space & Recreation Plan. The linkage to the long-term plans provides the strategic context for the budget and reinforces the budget's role of implementing priorities within these plans.

Financial Context for the Budget - The budget process begins with a rigorous gathering of information to identify the financial environment for the budget period and for the next four years. The Five Year Financial Forecast provides the focus of the process and includes a comprehensive review of financial policies, a scan of the economy, development of the revenue estimates and projection analysis using the five-year projection model. The Town Manager, the Finance Director and the Revenue and Fixed Cost Review Committee review this data in order to develop the budget guidelines and policies that drive the development of the upcoming fiscal year budget.

The economic scan of the FY 16 Budget indicated there was a second year of incremental increases in economic growth in the state. Given the current state budget deficit, the budget reflects level funded state aid for most categories. Additionally, the budget assumes nearly level funded local receipts, a significant decrease in debt service while the increase in the Town's health insurance costs is manageable as a result of the migration to the Group Insurance Commission. The focus is, and will remain, on creating a sustainable workforce that will eliminate the erosion of municipal service delivery.

Toward the Future - One outcome of the budget process is to identify issues and challenges that the Town will address in the upcoming and future fiscal years. Looking beyond the current fiscal year, the Town will continue to focus on developing regional strategic partnerships to reduce the cost of service delivery, increase its focus on "Green" initiatives to reduce energy consumption, and encourage the state to reduce unfunded mandates. Additionally, the Town will need to continue to find a way to reduce the Other Post-Employment Benefits (OPEB) liability and also reduce the impact of retirement benefits in order to stay sustainable.



North Parish
Photo Courtesy of Millie Matasso

Budget Overview

Citizen's guide to the Fiscal Year 2016 Budget

The budget is a blueprint of Town services and facilities for Fiscal Year 2016. It identifies policy decisions by the community and guides the Town's operations.

Communication Tool - The budget is intended to communicate to a broad range of readers, both in the Town of North Andover and surrounding area as well as the larger governmental and financial community. The document expresses priorities and goals, assignments and plans, targets and hopes. It is a key statement of Town priorities.

Budget Format – The budget summary contains summary totals from all operating segments. The revenue section details revenue sources with expected trends. Each departmental section contains a department narrative, which includes organization, program functions, goals and financial data relating to the entire department. The enterprise section includes revenue and expenditure trends of the self-sustaining enterprise funds along with departmental goals. The CIP section details all expected capital program outlays in the current fiscal year, as well as a summary of the next following years.

Basis of Budgeting and Accounting - The Town's Accounting and Budget are prepared on a basis other than generally accepted accounting principles (GAAP basis). The Town follows the State mandated Uniform Municipal Accounting System (UMAS) where the actual results of operations are presented on a "budget (cash) basis" to provide a meaningful comparison of actual results with the budget. The major difference between the budget UMAS and GAAP basis is that:

- Revenues are recorded when cash is received, (budget) as opposed to when susceptible to actual (GAAP).

The accounts of the Town are organized into various funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts. These fund groups are briefly described as follows: General Fund-this is used to account for the operating activity for all Town departments, Special Revenue-record the activity of all Town grants, revolving and gift accounts used to supplement departmental operations, Enterprise-Operating activity of fee based self- supporting programs, currently the Town has three enterprise programs; Water, Sewer and Stevens Estate at Osgood Hill Conference Center, Capital Projects-used to track the expenditures of the approved capital improvement programs and Trust/Agency. Only the General, Enterprise and Capital Funds are subject to the appropriation process.

Budget Procedure - The preparation of the Annual Budget for the Town of North Andover is governed by the provisions of Chapter 9 of the Town Charter. The budget cycle for FY16 was initiated in September 2014. In November the Revenue Fixed Cost Committee meets to begin the process of making recommendations for the FY16 revenue projections which are presented to the Town Manager to assist with his recommendations for the FY16 budget. In December the Town Manager convened a Town wide annual budget meeting attended by all department heads and finance personnel concerning a general overview of the budgetary limitations as well as an outline of specific guidelines dictating the preparation of individual department

budgets. Each department then prepared FY16 operating budgets and a program summary outlining the projected goals for the future. These operating budgets, which include expenditure and revenue estimates were submitted to the Town Manager by January 13, 2015.

In February, each department made a presentation, based on their adjusted budget submittal to the Town Manager, Assistant Town Manager and Finance Director justifying proposed budgets and program changes for the coming year.

The budgets submitted were reviewed and adjusted by the Town Manager, Assistant Town Manager and Finance Director based on the individual needs of each department. During the month of February the Finance Director finalized the Annual Budget document for submission to the Board of Selectmen and Finance Committee.

From the time of submission to the date of Town Meeting (May), the Finance Committee holds a series of public reviews of the Town Manager's recommended budget to solicit citizen participation regarding departmental budget requests. The Finance Committee and Board of Selectmen make recommendations on the Manager's budget request and submit their recommended budgets to Town Meeting. Annual Town Meeting in May shall adopt the operating budget with or without amendments. Town Meeting has the jurisdiction to make reductions and additions to the proposed budget without the consent of the Board of Selectmen, Finance Committee or Town Manager. There are two categories of adjustments that may be made to the adopted budget during the fiscal year: 1 - management can authorize transfers; requests such as line item transfers or a transfer within the broad appropriation categories and 2 - only a Town Meeting can alter the appropriated categories or add to the total appropriation.

Budget Process and Controls – The level of budgetary control is established by Town Meeting and this approval defines the level at which expenditures may not exceed appropriations. This level is typically at the functional level. Additional appropriations may be approved at subsequent Town Meetings. These controls ensure compliance with the budget approved at Town Meeting.

Mass Gen. Law Requirements – The budget preparation process for all towns is governed by MGL Ch. 44. The General Laws require that the budget be supported by revenues earned during the year plus any savings from prior years. The General Laws also requires public involvement in the process, including the requirement for a public hearing on the proposed budget.

BUDGET CALENDAR

Board of Selectmen set calendar	September 26, 2014
Capital Budget Instructions distributed	September 29, 2014
Budget Policy Statement Adopted	October 20, 2014
Capital Improvement request due	October 27, 2014
Operating Budget instructions manual distributed	November 3, 2014
Revenue/Fixed Cost Review Committee initial meeting	November 19, 2014
Town Manager presents Five-Year Financial Forecast	December 1, 2014
Recommended Capital Budget issued to Selectmen	December 15, 2014
Recommended Capital Budget issued to Finance Committee	December 16, 2014
Revenue/Fixed Cost Review Committee issues final report	January 2, 2015
Superintendent submits budget to School Committee	January 8, 2015
Departmental Operating Budget requests submitted	January 13, 2015
Board of Selectmen vote on Capital Budget	January 5, 2015
School Committee hold public hearing	January 29, 2015
School Committee votes to adopt budget	February 5, 2015
Operating Budget submitted to Board of Selectmen	February 23, 2015
Operating Budget submitted to Finance Committee	February 25, 2015
Board of Selectmen vote to adopt budget	March 9, 2015
Warrant for Annual Town Meeting closes	March 9, 2015
Finance Committee Public Hearing	April 1, 2015
Finance Committee recommendations	April 1, 2015
Warrant to printer	April 17, 2015
Warrant available to Town Meeting members	April 27, 2015
Town Meeting	May 19, 2015

BUDGET PREPARATION SCHEDULE

BUDGET PREPARATION SCHEDULE

Town of North Andover

Financial Reserve Policies

Adopted by the North Andover Board of Selectmen on February 10, 2014

Adopted by the North Andover Finance Committee on February 5, 2014

Updated and adopted by both the Board of Selectmen and Finance Committee in April 2015

Fund balance and reserve policies should be established to protect the Town from unforeseen increases in expenditures, reduction in revenues, or a combination of both, or any other extraordinary events. Fund balance and reserve policies also serve to provide an additional source of funding for capital construction and replacement projects. Reserves should normally average 5% to 15% of the Town's General Fund budget.

There are two classes of reserves: 1) restricted reserves which are to be utilized only for the purpose designated, 2) unrestricted reserves which can be utilized at the discretion of the authorized personnel.

Reserve policies cover; Operating Reserves, which provide for unanticipated expenditures or unexpected revenue losses during the year; Capital Reserves, which provide for normal replacement of existing capital plan and the financing of capital improvements; OPEB Reserves provide for funding of other post employment benefit liability; Cash Flow Reserves, which provide sufficient cash flow for daily financial needs; and Contingency Reserves provide for unanticipated expenditures.

The Town shall maintain the following general, special and strategic reserve funds:

- **Operating Reserves**—The maintenance of adequate operating reserves is essential to the financial strength and flexibility of the Town as a whole. Adequate operating reserves are integral parts of the financial structure of the Town and help make it possible for the Town to issue debt, among many other functions.
-
1. **Undesignated Fund Balance**- Operating fund balance shall be maintained at sufficient levels to absorb unpredictable revenue shortfalls and to insure desired cash flow levels. With regard to the General fund, cash balances available at year end shall, in combination with the new revenues be sufficient to preclude any requirement for short-term debt to sustain Town operations. Should this fund balance fall below 5% of the

“Fund Balance Floor,” defined as General Fund revenue less state aid and appropriations to reserve accounts, a plan for expenditure reductions and/or revenue increases shall be submitted to the Board of Selectmen during the next budget cycle.

2. **Free Cash** – This reserve provides for the temporary financing of unforeseen opportunities or needs of an emergency nature including increases in service delivery cost. This is the portion of undesignated fund balance certified by the Department of Revenue, Division of Local Services, as “Free Cash”. Monies held in this reserve may be appropriated during the current budget year and may also be used as a source of revenue for the ensuing budget year. Of all general fund reserves this is the most flexible.
- **Stabilization Fund** – a Stabilization Fund shall be maintained, under the provisions of MGL Chapter 40, Section 5B.
 1. The target funding level (TFL) for the Fund shall be an amount equivalent to 5% of the Town’s prior year’s Total General Fund Revenue less appropriations to reserve accounts. A Stabilization Fund Floor shall be established at 1.5% of the Town’s prior year’s Total General Fund Revenue less appropriations to reserve accounts. The Fund shall be funded only with Free Cash or one-time revenues.
 2. The Stabilization Fund may only be used under the following circumstances:
 - a. To support the operating budget when General Fund Net Revenue, as defined as Total Revenue less debt exclusions and state school building reimbursements, increases less than 2.5% from the prior fiscal year.
 - b. To fund capital projects, on a pay-as-you-go basis, when available Free Cash drops below \$2 million in any year and only if the Capital Stabilization Fund has reached its floor as defined in the Capital Stabilization Fund section of this policy.
 3. The level of use of the Stabilization Fund shall be limited to the following:
 - a. When supporting the operating budget under “2a” above, the amount drawn down from the fund shall be equal to the amount necessary to bring the year-over-year increase in the Town’s prior year Net Revenue to 2.5%, or \$1 million, whichever is less. The draw down shall not occur in more than three consecutive fiscal years and the maximum shall not exceed \$2.5 million for the three year period.
 - b. When funding capital projects, on a pay-as-you-go basis under “2b” above, no more than \$1 million may be drawn down from the fund in any fiscal year. The draw down shall not occur in more than three consecutive fiscal years and the maximum shall not exceed \$2.5 million for the three year period.
 4. In order to replenish the Stabilization Fund if used, in the year immediately following any draw down, the Town shall formulate a plan to restore the Fund to the previously identified TFL. Said funding shall come from Free Cash.

- **Capital Stabilization Fund** a Stabilization Fund shall be maintained, under the provisions of MGL Chapter 40, Section 5B.
 1. The TFL for the Fund shall be an amount equivalent to 1% of the Town's prior year Total General Fund Revenues. A Capital Stabilization Fund Floor shall be established at \$25,000. The Fund shall be funded only with Free Cash or one-time revenues.
 2. The Capital Stabilization Fund may only be used under the following circumstances:
 - a. To fund projects which have been approved as part of the Town's Capital Improvement Plan (CIP).
- **Other Post-Retirement Benefits (OPEB)** – – a Stabilization Fund established per the provisions of MGL Chapter 40, Section 5B, and a Trust Fund established per the provisions of MGL Chapter 32B, Section 20 shall be utilized to reserve funds to offset the Town's OPEB liability.
 1. The aggregate target funding level (TFL) for these Funds shall be an amount equivalent to 5% of the OPEB unfunded actuarial liability.
 - a. An amount equal to no less than 1% of the OPEB unfunded actuarial liability shall be transferred to the Stabilization Fund from the Town's Health Insurance Trust Fund at the time that the Stabilization Fund is established. Annually, an amount equal to a minimum of 2.5% of the aggregate Fund balance of these Funds shall be appropriated to the either Fund from the operating budget or Free Cash or both.
 - b. From time to time the Town shall analyze the balance in the Health Insurance Trust Fund to determine if additional funds can be transferred into the OPEB Funds.
 2. In order to replenish the Funds if used, in the year immediately following any draw down, the Town shall formulate a plan to restore the Funds to the previously identified TFL. Said funding shall come from Free Cash.
- **Overlay Reserve** – established per the requirements of MGL Chapter 59, Section 25, the Overlay is used as a reserve, under the direction of the Board of Assessors, to fund property tax exemptions and abatements resulting from adjustments in valuation. The Board of Selectmen shall, at the conclusion of each fiscal year, require the Board of Assessors to submit an update of the Overlay reserve for each fiscal year, including, but not limited to, the current balances, amounts of potential abatements, and any transfers between accounts. If the balance of any fiscal year overlay exceeds the amount of potential abatements, the Board of Selectmen may request the Board of Assessors to declare those balances surplus, for use in the Town's Capital Improvement Plan (CIP) or for any other one-time expense.
- **Enterprise Fund Retained Earning Reserve** – to provide rate stability in the Water and Sewer Enterprise Funds, the funds will maintain retained earnings equivalent to a minimum of three months of appropriated expenses. Retained earnings in excess of four months will be appropriated to offset user fees directly or indirectly through capital project pay-as-you-go funding of enterprise fund projects.

- **Special Education Stabilization Fund** – to provide stability in the delivery of public education that could otherwise be adversely impacted by costs associated with special education which were unforeseen at the time the annual fiscal appropriation was adopted by an Annual Town Meeting, the Town will establish a Stabilization Fund per the provisions of MGL Chapter 40, Section 5B. For the purpose of this policy unforeseen costs are those for which neither experience or reasonable judgment or planning could have anticipated.

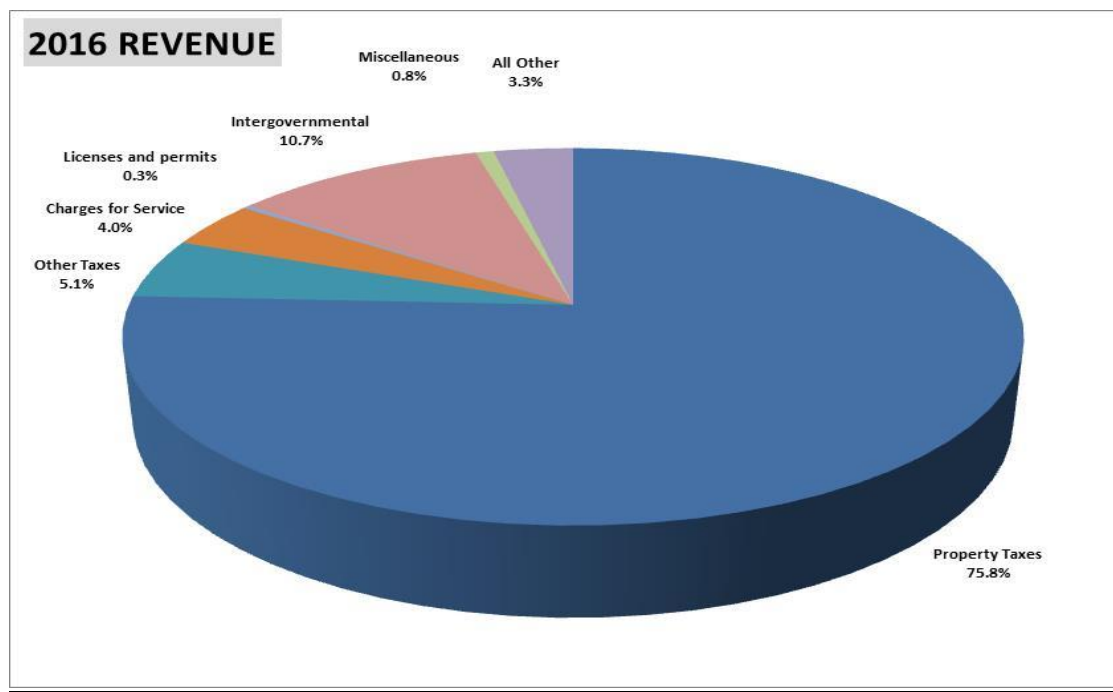
1. The target funding ceiling (TFC) for this Fund shall be \$750,000 and the target funding floor (TFF) shall be \$100,000.
2. The school department can request a transfer from this Fund in an amount not to exceed \$250,000 in any one fiscal year if the following conditions are met:
 - a. Eligible costs are limited to out of district placements and transportation costs associated with out of district placements.
 - b. The costs were unforeseen prior to the adoption by Town Meeting of the school department budget in the fiscal year the funds are being requested.
 - c. The School Committee, Finance Committee, and Board of Selectmen each by majority vote affirm that the costs were unforeseen and paying said costs would adversely impact the delivery of education in North Andover.
3. In order to ensure that the Fund is not depleted, and that proper financial planning is undertaken to reduce the likelihood of future unforeseen costs, the aggregate amount of transfers from the Fund in any two consecutive fiscal years is \$400,000. The Town shall formulate a plan to restore the Fund to the identified TFC when the balance of the Fund drops below the TFF. Said funding shall come from Free Cash or other Reserves.

Note: Transfers from this Fund will require action at a Special Town Meeting.

Overall Summary of the Budget

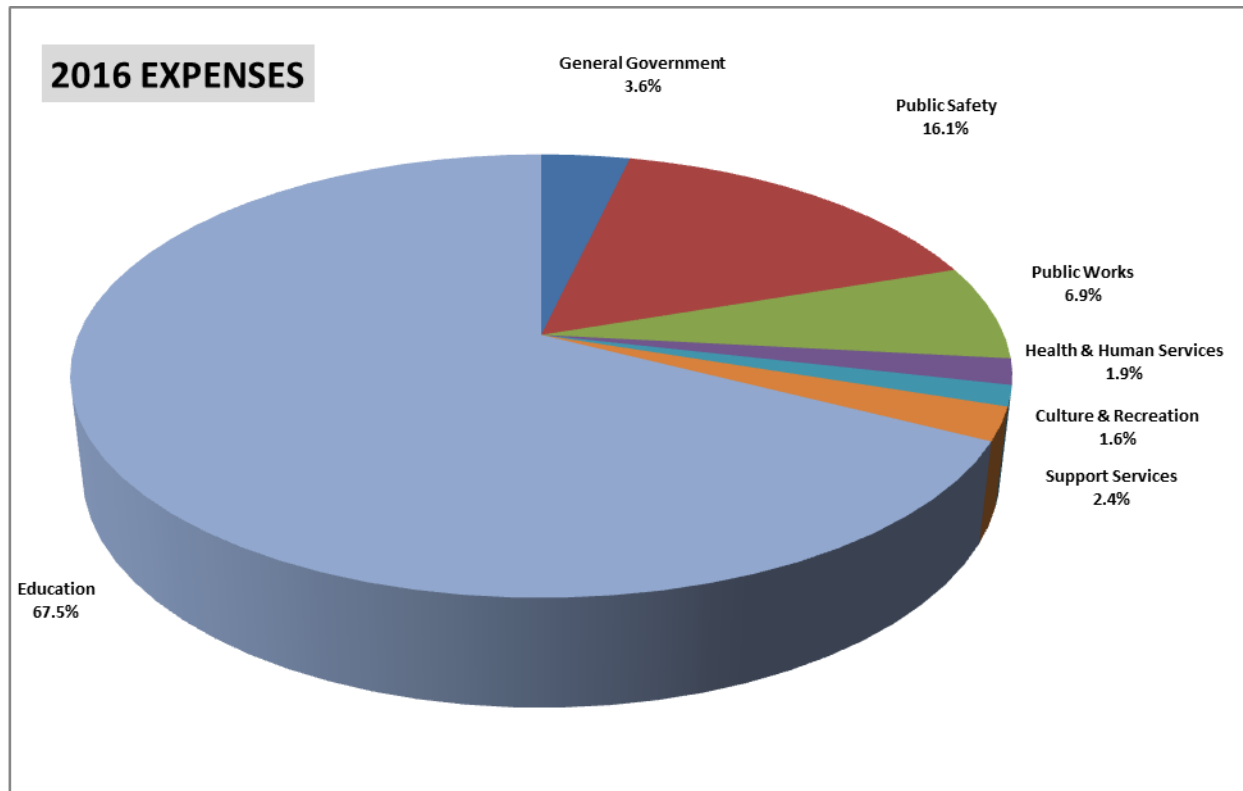
The FY16 Budget for all general Town services and facilities totals \$99.5 million. The total includes \$45.2 million in the General Fund budget to support traditional municipal services such as General Government, Police, Fire, Public Works, Library and Non-appropriated expenses (i.e. Cherry Sheet Assessments and Assessors Overlay Provisions); \$10.3 million to support the cost of the Water, Sewer and Stevens Estate Enterprise Fund budgets and \$44.0 million to support the School Department and regional Vocational Schools.

GENERAL FUND REVENUE



	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Adopted
Property Taxes	\$ 59,914,742	\$ 60,620,515	\$ 62,596,596	\$ 64,270,443	\$ 67,697,726
Tax Title	\$ 250,143	\$ 174,857	\$ 608,698	\$ 348,217	\$ -
Other Taxes	\$ 4,285,545	\$ 4,690,699	\$ 5,480,517	\$ 5,152,880	\$ 4,548,300
Charges for Service	\$ 3,778,657	\$ 3,732,173	\$ 3,695,838	\$ 3,967,085	\$ 3,559,908
Licenses and permits	\$ 227,644	\$ 256,074	\$ 272,553	\$ 269,881	\$ 270,200
Intergovernmental - State Aid	\$ 8,558,726	\$ 9,488,463	\$ 9,848,056	\$ 10,036,762	\$ 9,595,512
Miscellaneous Revenue	\$ 1,476,005	\$ 1,241,695	\$ 1,138,851	\$ 1,219,337	\$ 689,925
All Othter Sources	\$ 1,463,962	\$ 2,644,006	\$ 1,543,374	\$ 2,414,648	\$ 2,987,151
	<u>\$ 79,955,424</u>	<u>\$ 82,848,482</u>	<u>\$ 85,184,481</u>	<u>\$ 87,679,252</u>	<u>\$ 89,348,722</u>

GENERAL FUND EXPENDITURES



	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Adopted
General Government	\$ 2,019,696	\$ 2,143,756	\$ 2,083,600	\$ 2,196,697	\$ 2,355,457
Public Safety	\$ 8,638,048	\$ 9,134,674	\$ 9,376,598	\$ 9,597,868	\$ 10,432,514
Public Works	\$ 3,795,230	\$ 4,477,316	\$ 4,609,468	\$ 5,308,600	\$ 4,482,958
Health & Human Services	\$ 991,934	\$ 985,720	\$ 1,083,822	\$ 1,193,731	\$ 1,220,533
Culture & Recreation	\$ 827,774	\$ 847,254	\$ 861,428	\$ 894,863	\$ 974,850
Support Services	\$ 1,088,441	\$ 1,103,047	\$ 1,342,538	\$ 1,664,015	\$ 1,564,360
Education	\$37,226,282	\$38,746,920	\$40,102,437	\$ 43,081,089	\$ 43,612,479
Debt	\$ 7,242,540	\$ 6,333,589	\$ 6,324,465	\$ 5,564,844	\$ 5,858,518
Employee Benefits	\$13,047,941	\$13,429,894	\$13,989,672	\$ 12,357,921	\$ 14,273,833
Unclassified Shared Cost	\$ 1,326,072	\$ 1,299,057	\$ 1,353,175	\$ 1,358,944	\$ 2,126,847
Capital & Reserves	\$ 32,415	\$ 1,128,103	\$ -	\$ 1,063,108	\$ 1,436,063
Overlay	\$ 459,973	\$ 629,707	\$ 564,134	\$ 530,315	\$ 550,000
State Assessments	\$ 1,813,511	\$ 1,788,615	\$ 1,254,988	\$ 436,946	\$ 460,309
	<u>\$78,509,857</u>	<u>\$82,047,654</u>	<u>\$82,946,325</u>	<u>\$ 85,248,938</u>	<u>\$ 89,348,722</u>

General Fund

The General Fund is the basic operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund (i.e. Water, Sewer & Stevens Estate Enterprise Funds). The total General Fund operating budget is \$86,902,351 which is the Town appropriation of \$99,508,609 less Overlay Provisions (\$550,000), Cherry Sheet Assessments (\$460,309), Transfer to Stabilization (\$64,412), Transfer to Capital Stabilization (\$213,000), Transfer to Special Education Stabilization (\$750,000), Overlay Deficit (\$303.), Salary Reserve (\$408,348) and less the Water, Sewer and Stevens Estate Enterprise Funds of (\$10,159,886).

General Fund Budget The general fund operating budget in FY16 totals \$87.91 million (exclusive of Free Cash for Reserves), which represents a 2.62% increase over FY15.

Revenue: The Town receives 77.01% of its revenue from Property taxation; this is its largest source of funds. This category has an increase of \$2.3 million or 3%. The Town also receives revenue in State Aid of \$9.5 million or 10.91%. The Town also receives \$9.1 million or 10.32% of its revenue in local receipts (fees, permits, etc.).

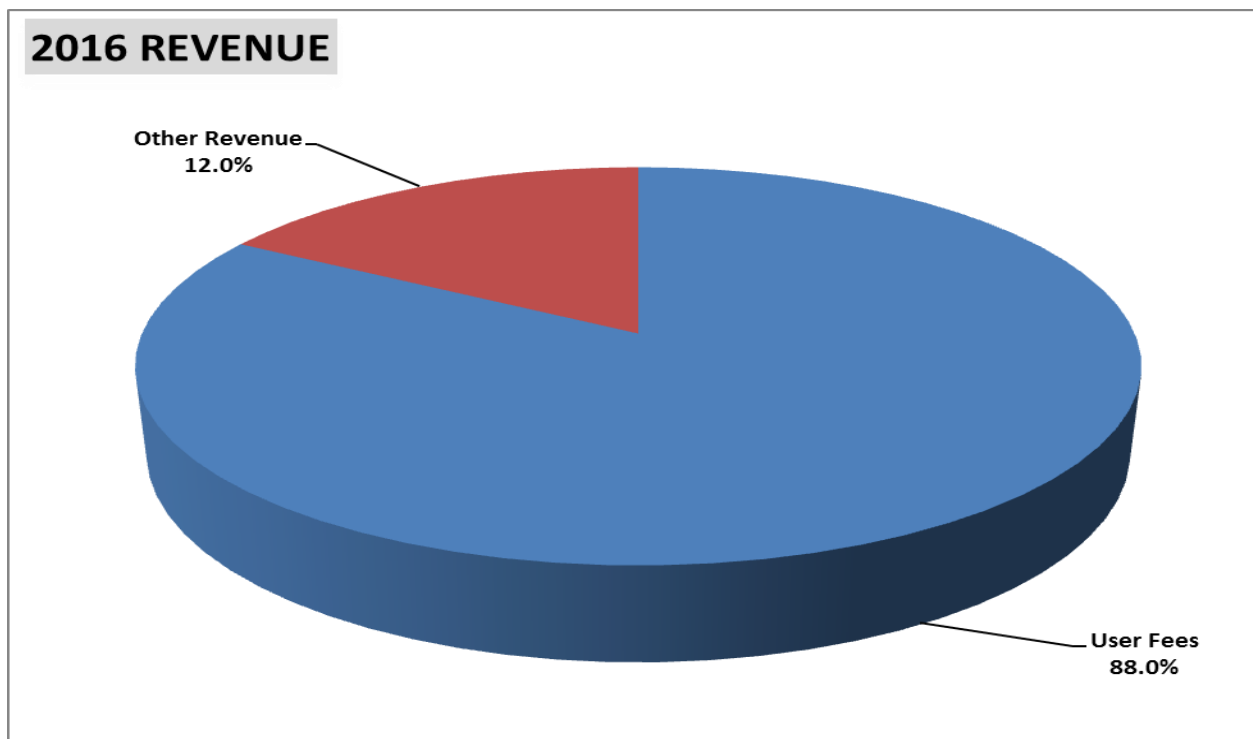
Expenditures: The School department operating budget at \$43,612,479 reflects an increase of \$2.1 million or 3.5% and represents 48.81% of the total Town appropriation. The community needs to monitor the outcome of the ongoing discussions pertaining to education reform funding. If the State does not continue to aggressively fund this mandate the Town will be forced to pick up the shortfall in State funding. With education costs consuming over 67.5% of the operating budget these increases, without increased State assistance, will continue to have a negative impact in other funding categories. The Town's decision to migrate to the GIC in FY15 resulted in lower costs that will benefit the town for the next several years. In FY16 there is a projected increase in premiums as can be expected, but by lowering the baseline cost the budget impact of this health insurance increase is reasonable. The effort to reduce debt service continues to pay dividends and this initiative should remain a priority. Increased pay-as-you-go funding remains a component of the FY16 Budget and this will continue to be the case as long as available spending capacity allows.

Capital Budget and Debt Service. The FY16 Budget includes \$5.8 million in debt service funding as required under the ongoing Town-wide Capital Improvement Program (CIP) (for further details, see discussion in the CIP section of this budget document). The Town will continue to make an investment in this area to avoid having to incur higher costs in the future and therefore reduce the number of annual capital projects to be undertaken. The current and projected economic climate may cause the Town to seek to control the cost of debt services as a method of keeping the Town's budget in balance; in this case the total.

Enterprise Funds- Water, Sewer and Stevens Estate

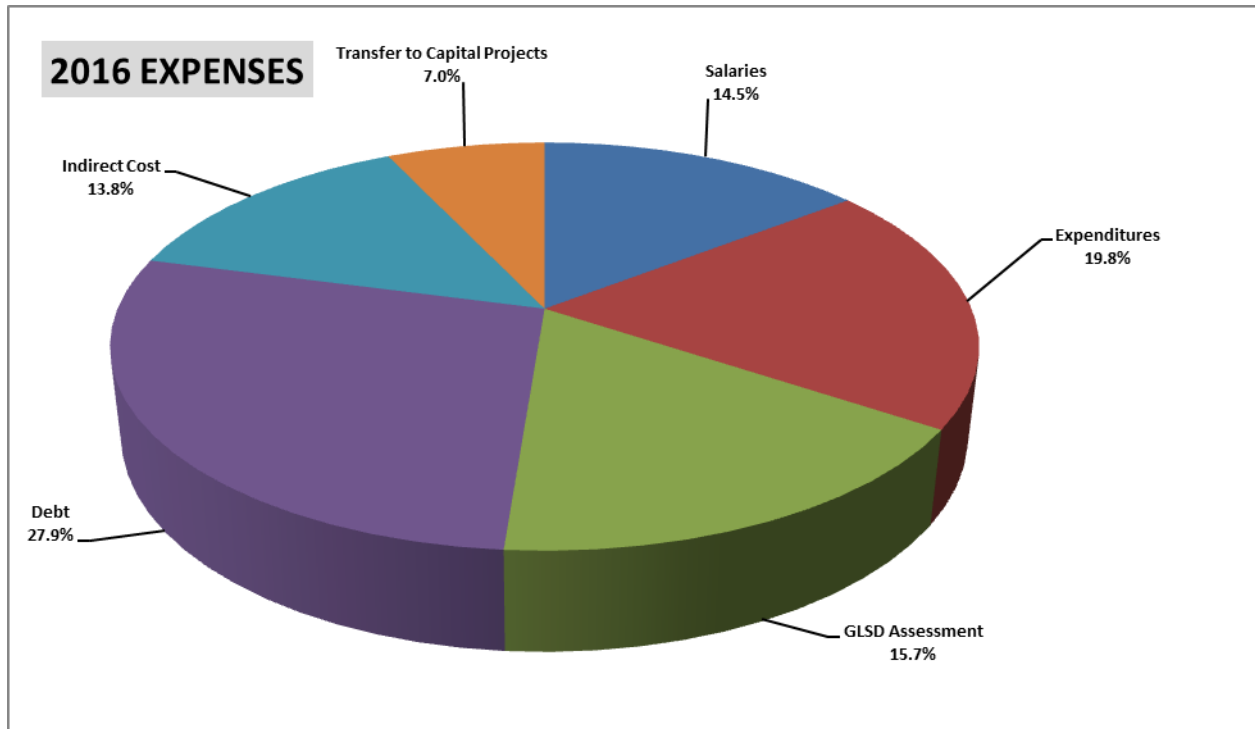
Enterprise Funds: The Town has adopted three enterprise funds, Water, Sewer and Stevens Estate (Conference Center). It is the Town's policy that Enterprise Funds be self-sustaining, this requires that revenues from operations are sufficient to fund all direct and indirect expenditures of the fund. The Selectmen are charged with setting water and sewer rates sufficient to cover expenditures. The conference center is dependent on sales and related economic conditions. The total appropriation for FY16 is \$10,159,886.

ENTERPRISE FUND REVENUE

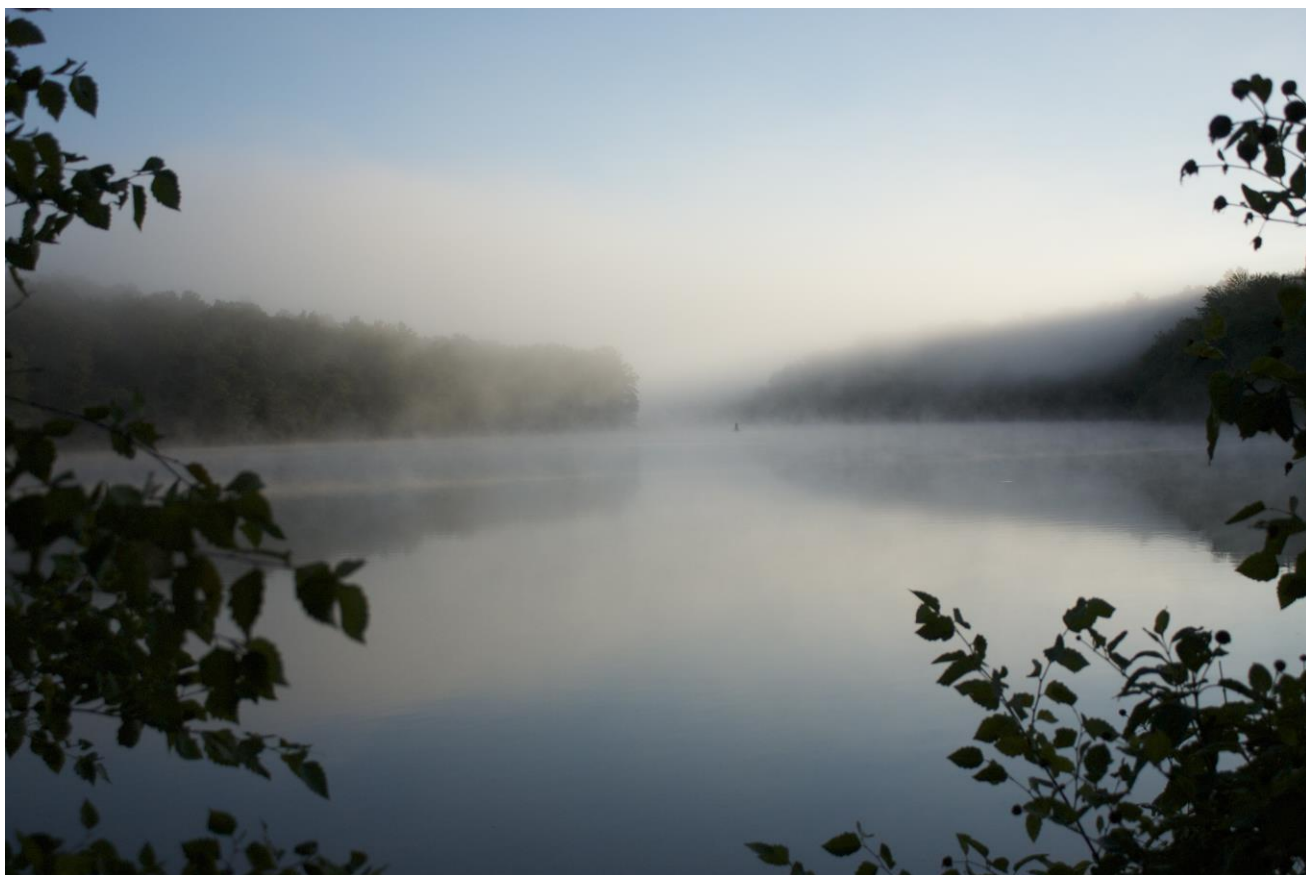


	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Adopted
Sewer User Fees	\$ 4,071,056	\$ 4,501,561	\$ 4,601,892	\$ 4,606,198	\$ 3,985,139
Sewer Other	\$ 743,615	\$ 445,783	\$ 405,160	\$ 499,748	\$ 529,797
Water User Fees	\$ 4,344,947	\$ 4,694,416	\$ 4,547,027	\$ 4,697,959	\$ 4,510,757
Water other	\$ 967,428	\$ 793,890	\$ 748,643	\$ 775,635	\$ 811,511
Stevens Estate Fees	\$ 279,860	\$ 335,372	\$ 337,071	\$ 482,778	\$ 360,000
Stevens Estate Other	\$ 208	\$ 399	\$ 480	\$ 1,017	\$ -
	<u>\$ 10,407,114</u>	<u>\$ 10,771,420</u>	<u>\$ 10,640,273</u>	<u>\$ 11,063,335</u>	<u>\$ 10,197,204</u>

ENTERPRISE FUND EXPENDITURES



	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Adopted
Salaries	\$ 1,247,230	\$ 1,246,827	\$ 1,352,263	\$ 1,478,014	\$ 1,474,859
Expenditures	\$ 1,720,320	\$ 1,691,443	\$ 1,515,343	\$ 1,658,361	\$ 2,010,204
GLSD Assessment	\$ 1,152,317	\$ 1,325,429	\$ 1,322,544	\$ 1,543,296	\$ 1,721,200
Debt	\$ 4,314,028	\$ 4,197,386	\$ 3,673,432	\$ 3,657,489	\$ 2,832,124
Indirect Cost	\$ 1,223,736	\$ 1,323,775	\$ 1,338,726	\$ 1,372,195	\$ 1,406,499
Transfer to Capital Projects	\$ -	\$ 103,357	\$ -	\$ 600,000	\$ 715,000
	<u>\$ 9,657,630</u>	<u>\$ 9,888,217</u>	<u>\$ 9,202,307</u>	<u>\$ 10,309,354</u>	<u>\$ 10,159,887</u>



Lake Cochichewick
Photo courtesy of Brenda Tamasz

Financial Plan General Fund

Overview

General Fund Budget Summary

A key component of the budget development process is the identification of revenue assumptions and projections to determine the range of choices the Town Manager can make in allocating resources. Because of the critical nature of this information the Town Meeting voted to establish in May 2004 the Revenue/ Fixed Costs Review Committee whose main purpose is to advise the Town Manager and other Town officials on projected revenues, other financial sources, and fixed costs to facilitate the annual budget development process. The committee shall meet within thirty days but no later than December 1st of the issuance of the Board of Selectmen's budget policy statement, and shall report to the Town Manager with their initial revenue projections within 45 days of their first meeting. The committee may continue to meet after the issuance of the report for the purpose of providing continued advice.

The Town does not have the statutory ability to change rates and formulas for many of its revenue sources. The rates and/or formulas for property tax and certain fines, for example, are set by the State. The Town may set user fees, permits and licenses. In 1980, the voters approved a statewide property tax initiative, Proposition 2 ½. Prop 2 ½ established, among several restrictions, a "2 ½ percent cap" on property tax increases in all local taxing districts in the State.

Town revenue is divided into six basic categories recommended by the National Committee on Governmental Accounting. The categories are taxes, charges for services, licenses and permits, fines and forfeits, intergovernmental revenue, and miscellaneous revenue. The following is a discussion of the Town's projections for those categories in FY16.

TAXES

Real and Personal Property Tax

The primary sources of revenue for municipalities in the Commonwealth are the real property tax and personal property tax. For purposes of taxation, real property includes land and buildings and improvements erected or affixed to land and personal property consists of stock, inventory, furniture, fixtures and machinery. The Town's Board of Assessors determines the value of all taxable land, which is revalued at fair market value every three years and updated every year. FY16 is the next

scheduled revaluation year for the Town. The Town's Board of Assessors is also responsible for determining the value of personal property through an annual review process.

Major Changes:

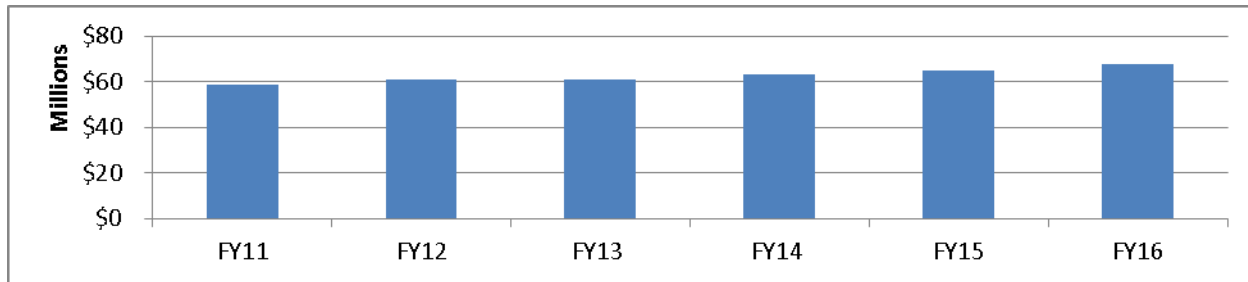
There are three major factors that influence the amount of revenue generated by the real and personal property tax:

1. Automatic 2.5% increase – Each year, a community's levy limit automatically increases by 2.5% over the previous year's levy limit.
2. New Growth – A community is able to increase its tax levy limit each year to reflect new growth in the tax base. Assessors are required to submit information on growth in the tax base for approval by the Department of Revenue as part of the tax rate setting process. In FY16, based on current trends new growth is estimated to be \$600,000.
3. Overrides/Exclusions – A community can permanently increase its levy limit by successfully voting an override. Debt and Capital exclusions are temporary increases in a communities levy limit for the life of the project or debt service. Only a debt or capital exclusion can cause the tax levy to exceed the levy ceiling In FY16 the debt exclusion is estimated to be \$1,867,461. The levy ceiling of a Town is 2.5% of valuation of the community. The ceiling for the Town in FY14 was \$105,207,235. As the following shows, the Town is substantially under its levy ceiling.

TAX LEVY BREAKDOWN					
	Actual FY 2012	Actual FY 2013	Actual FY 2014	Actual FY 2015	Budget FY 2016
Tax Limit	55,488,866	57,613,671	59,689,214	61,955,069	64,297,287
Add 2.5%	1,387,222	1,440,342	1,492,230	1,548,877	1,607,432
Add New Growth	737,583	635,201	773,625	793,341	600,000
Add Override	-	-	-	-	-
Levy Limit	57,613,671	59,689,214	61,955,069	64,297,287	66,504,719
+ Debt Exclusion(s)	3,105,780	1,840,566	1,810,971	1,774,775	1,936,388
- SBA Reimb. - EXCLUDED DEBT	-	-	-	-	-
-Debt Exclusion Adjustment	-	-	-	-	-
- SBA interest reimb - High School	(68,926)	(68,926)	(68,926)	(68,926)	(68,926)
- Bond Premium	-	-	-	-	-
Sub total Excluded Debt	3,036,854	1,771,640	1,742,044	1,705,849	1,867,461
Max Levy	60,650,525	61,460,854	63,697,113	66,003,136	68,372,180
Actual Levy	60,626,359	61,434,579	63,441,828		
Excess Levy	24,166	26,275	255,285		
Levy Increase \$	2,062,016	810,329	2,236,260	2,306,022	2,369,045
Levy Increase %	3.52%	1.34%	3.64%	3.62%	3.59%
Levy Limit Increase \$	2,124,805	2,075,543	2,265,855	2,342,218	2,207,432
Levy Limit Increase %	3.83%	3.60%	3.80%	3.78%	3.43%
Net Debt Exclusion	3,036,854	1,771,640	1,742,044	1,705,849	1,867,461

Year to Year Comparison	FY11	FY12	FY13	FY14	FY15	FY16	% Change FY15 - FY16
Tax Levy (per RECAP)	\$58,588,509	\$60,650,525	\$60,795,372	\$63,205,294	\$64,618,660	\$67,697,726 *	4.8%

*Estimated



Motor Vehicle Excise Tax Receipts – State law (Proposition 2½) sets the motor vehicle excise rate at \$25 per \$1000 valuation. The Town collects these monies based on data provided by the Massachusetts Registry of Motor Vehicles. The Registry, using a statutory formula based on a manufacturer's list price and year of manufacture, determines valuations. The Town in which a vehicle is principally garaged at the time of registration collects the motor vehicle excise tax.

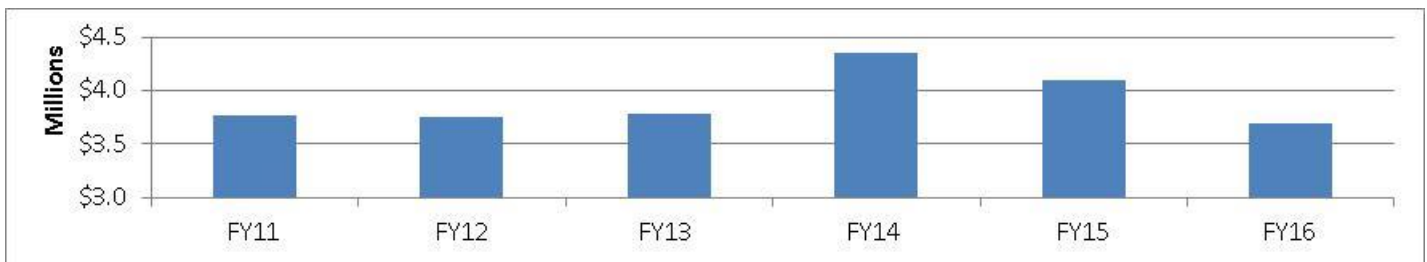
In January 1992, the Registry of Motor Vehicles implemented a new computer tracking system that forces auto owners to pay their excise taxes. Those who do not pay will not be allowed to renew registrations and licenses. Cities and towns must notify the Registry of delinquent taxpayers.

Major Changes:

This revenue source had expanded in recent years as the Town has focused on this category as a source of revenue expansion. Due to the national economic situation and budgeting practices in previous years excise receipts are not expected to increase FY16.

Year to Year Comparison	FY11	FY12	FY13	FY14	FY15	FY16	% Change FY15 - FY16
Motor Vehicle Excise	\$ 3,775,200	\$ 3,750,578	\$ 3,779,369	\$ 4,362,823	\$ 4,107,364	\$ 3,700,000 *	-9.9%

*Estimated



Penalties and Delinquent Interest – This category includes delinquent interest on all taxes and tax title accounts. It also contains demand fees on real and personal property taxes as well as demands and warrants on late motor vehicle excise taxes.

Delinquent Interest and Penalty Charges –The Town receives interest and charges on overdue taxes. Interest rates for overdue real and personal property taxes are 14%, and for tax title accounts, 16%. The interest rate for delinquent excise tax accounts is 12% from the due date. State law dictates the interest rate for taxes, while local bylaw sets water/sewer charges.

If real and personal property taxes are not paid by May 1, in the year of the tax, a demand for payment notice (\$30) is sent to all delinquent taxpayers. Delinquent motor vehicle taxpayers are sent a demand (\$30), a warrant (\$5), and two separate notices from a deputy tax collector (\$9 and \$14). The deputy collector's earnings come solely from delinquent penalty charges in lieu of a salary. Demands are (\$30) and warrants are not issued for delinquent water/sewer service accounts, which are subject to a lien on the real estate tax bill. Once a delinquent real estate account goes into a process of tax title, there are other fees added to the property tax bills. These charges include the cost of recording the redemption (\$75) and demand notices (\$30).

In Lieu of Tax Payments – Many communities, North Andover included, are not able to put all property within its borders to productive, tax generating uses. Federal, state and municipal facilities, hospitals, churches and colleges are examples of uses that are typically exempt from local property tax payments. The Town currently negotiates with one entity for a PILOT payment of \$30,000 per year.

Municipal Lien Certificates – The Town Collector issues a certificate indicating any amount owed on a particular parcel of property to an individual requesting the information within five days of the request. The cost per certificate is \$35 per parcel.

LICENSES AND PERMITS/SUMMARY

Licenses – License revenue arises from the Town's regulations of certain activities (e.g. selling alcoholic beverages). A person or organization pays a licenses fee to engage in the activity for a specific period. The primary licensing agency in the Town is the Board of Selectmen. All fees are set by one of the three methods: State law, Town-By-Law or Licensing Body.

Permits – Permits are also required when a person or business wants to perform a municipally regulated activity (e.g., building, electrical, or plumbing services). The bulk of the permit revenue is brought in through building permits, collected by the Building Department. All construction and development on the Town must be issued a building permit based on the cost of construction. The Board of Selectmen adopted a revised building inspection permit fee schedule in Fiscal 07.

The most common licenses and permits are briefly described on the following pages. A complex fee schedule is available from the Board of Selectmen or the Building Department

Liquor Licenses – Under Chapter 138 of the General Laws of Massachusetts, the Town is empowered to grant licenses regulating the sale of alcoholic beverages. License fees vary depending upon the type of establishment, closing hours, number of days open, and whether the license is for all alcohol or beer and wine. All licenses issued by the Board of Selectmen, with the exception of special and seasonal liquor licenses, have a maximum fee set by the State statute.

The Town may issue liquor licenses within the limits of the State quota system, which is based on population. Special licenses carry a fee and do not fall under the State cap. Total revenue for special licenses depends on the number and length of events that receive licenses.

Common Victualer – The common victualer licenses allows food to be made and sold on the premises.

Entertainment – Entertainment licenses are issued for live performances, movie theaters, automatic amusement machines, billiard tables, bowling alleys and several other forms of entertainment.

Building Permits – Building permits are issued to qualified individuals and companies to do repairs, alterations, new construction or demolitions in the Town. The cost of permits is based on the estimated cost of the project or by a set fee.

Electrical Permits – Electrical permits are issued to licensed electricians to perform specific electrical work. The cost of the permit is dependent on the number of switches, lights, alarms and other electrical components included in the job.

Plumbing Permits – Plumbing permits are issued to licensed plumbers to install and repair piping for a specific job. The fee is based on the amount and type of work being done.

Weights & Measurers – Weights and Measures permits are issued for scales, gas pumps and other measuring devices.

Town Clerk Licenses & Permits – The Town Clerk issues licenses and permits primarily relating to marriages, births, deaths, business certificates, raffles, passports and dog registrations.

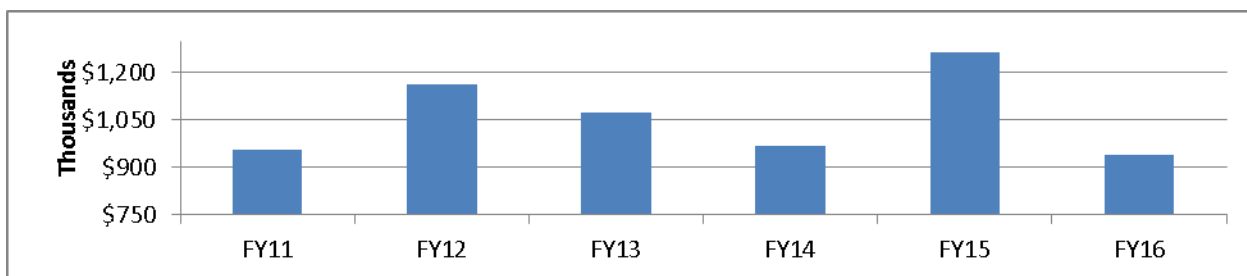
Other Departmental Permits – Other Departments issue various permits including fire permits, fire alarm box permits, firearms, fishing and boating permits.

Major Changes:

The Board of Selectmen adjusted Building Inspection fees based upon an analysis of similar fees in surrounding communities in FY07.

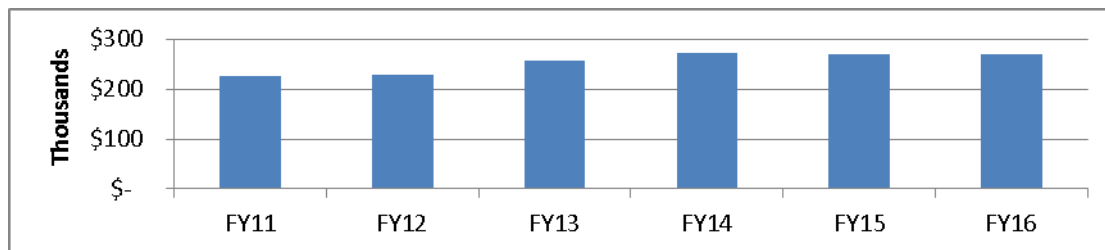
Year to Year Comparison	FY11	FY12	FY13	FY14	FY15	FY16	% Change FY15 - FY16
Fees (Bldg, Plumb, Elec., etc.)	\$ 954,715	\$ 1,163,413	\$ 1,073,824	\$ 969,597	\$ 1,263,372	\$ 939,650 *	-25.62%

*Estimated



Year to Year Comparison	FY11	FY12	FY13	FY14	FY15	FY16	% Change FY15 - FY16
Licenses and Permits	\$ 225,199	\$ 227,644	\$ 256,074	\$ 272,553	\$ 269,881	\$ 270,200 *	0.1%

*Estimated



FINES AND FOREITS

Parking Fines – The collection of outstanding parking fines continues to be an important source of revenue to the Town. The timely collection of fines has been aided by automation, and by State law that violators are prohibited from renewing their driver's license and registrations until all outstanding tickets are paid in full.

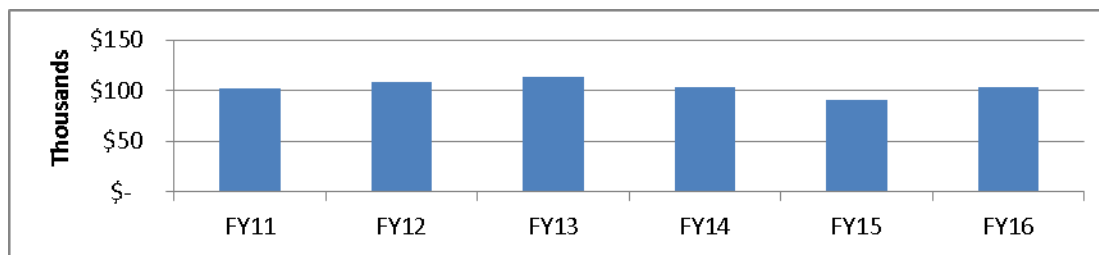
Moving Violations - Non-parking offenses result in moving violation fines. Responding to the community's desires and public safety concerns that mostly focused on speeding violations in local neighborhoods. Among the violations included in this category are speeding, passing in the wrong lane, and failing to stop at the traffic signal. These fines, collected by the District Court, are distributed to the Town on a monthly basis

Major Changes:

The Municipal Relief Package passed by the Legislature in 2003 increased the amount of fines that may be collected for violations of any regulations, orders, ordinances or bylaws regulating parking of motor vehicles.

Year to Year Comparison	FY11	FY12	FY13	FY14	FY15	FY16	% Change FY15 - FY16
Parking Fines/Moving Violations	\$ 101,589	\$ 108,998	\$ 112,917	\$ 103,615	\$ 90,414	\$ 102,900 *	13.8%

*Estimated



INTERGOVERNMENTAL REVENUE

Cherry Sheet - State Cherry Sheet revenue funds are primarily intergovernmental revenue. Cherry Sheet revenue consist of direct school aid, local aid and specific reimbursements and distributions such as aid to public libraries, veterans benefits and a number of school related items. For the FY16 budget process, the Town projected no increase of Cherry Sheet revenues based on assumptions

offered by the Governor’s Budget. The largest increase on the Cherry Sheet revenue was from Chapter 70 aid which increased 3.8% between FY13 and FY14.

Every year the Commonwealth sends out to each municipality a “Cherry Sheet”, named for the pink colored paper on which it was originally printed. The Cherry sheet comes in two parts, one listing the State assessments to municipalities for MBTA, Retired Teachers Health Insurance, air pollution control districts and the other state programs; the other section listed the financial aid the Town will receive from the State for funding local programs. Each Cherry Sheet receipt is detailed on the following pages.

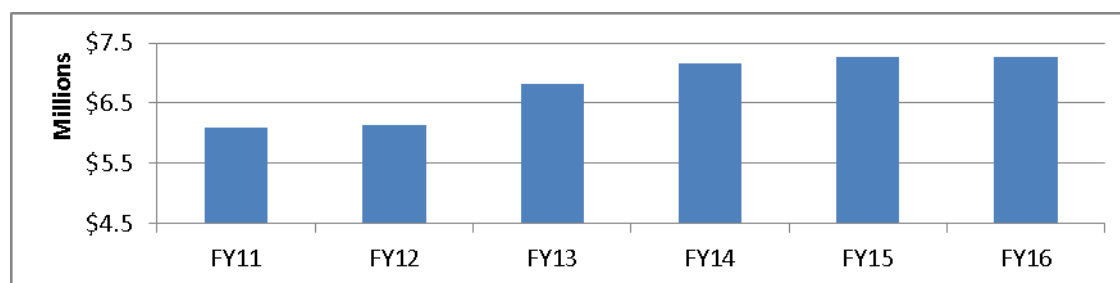
School Aid – Chapter 70 school aid is based on a complex formula that takes into account: (1) statewide average cost per pupil; (2) local district pupil counts, with weighing factors to reflect varying costs among programs such as special education or vocational education, and (3) municipal fiscal “ability to pay” for education, as measured by equalized valuation per capita as a percent of statewide average.

Major Changes:

There is a proposal to overhaul the foundation budget and a new method for measuring municipal ability-to-pay and for determining required local contribution and school aid amounts.

Year to Year Comparison	FY11	FY12	FY13	FY14	FY15	FY16	% Change FY15 - FY16
Chapter 70	\$ 6,092,035	\$ 6,124,740	\$ 6,808,233	\$ 7,163,024	\$ 7,262,286	\$ 7,262,286 *	0.0%

*Estimated



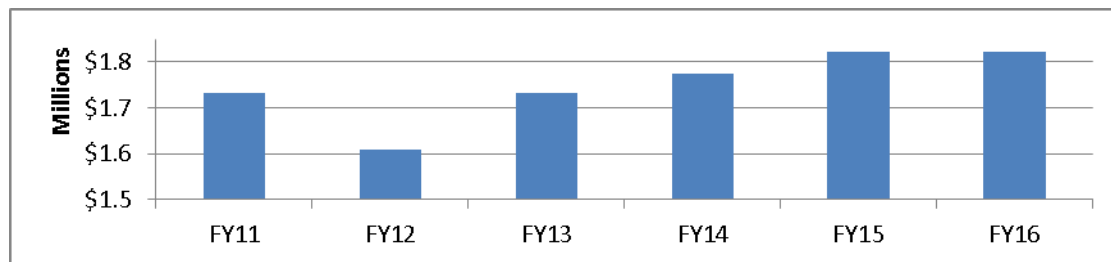
Local Aid – The major non-school state aid items are the Unrestricted Government Aid. These funds are unrestricted and can therefore be used by the municipality for any municipal purpose.

Major Changes:

Starting in FY2010 the Governor combined these two aid accounts (Local Aid and Additional Assistance) into one category called Unrestricted General Government Aid.

Year to Year Comparison	FY11	FY12	FY13	FY14	FY15	FY16	% Change FY15 - FY16
Unrestricted General Gvt Aid	\$ 1,733,403	\$ 1,608,071	\$ 1,733,403	\$ 1,774,377	\$ 1,823,584	\$ 1,823,584 *	0.0%

*Estimated



Veterans Benefits – Under Chapter 115, Section 6, municipalities receive a seventy-five percent State reimbursement on the total expenditures made on veterans’ benefits.

Charter Tuition Reimbursement – To reimburse sending districts for a student tuition and the capital facilities tuition component they pay to Commonwealth charter schools. The capital facilities tuition component includes interest and principal payments, for the construction, renovation, purchase, acquisition, or improvement of school building and land.

Exemptions: Veterans, Blind Person, Surviving Spouse - To reimburse the municipality for property tax exemptions granted to qualifying veterans, blind person, surviving spouse and elder person.

State Owned Land – To reimburse the municipality for foregone tax revenue due to certain types of tax exempt state-owned land.

MISCELLANEOUS REVENUE

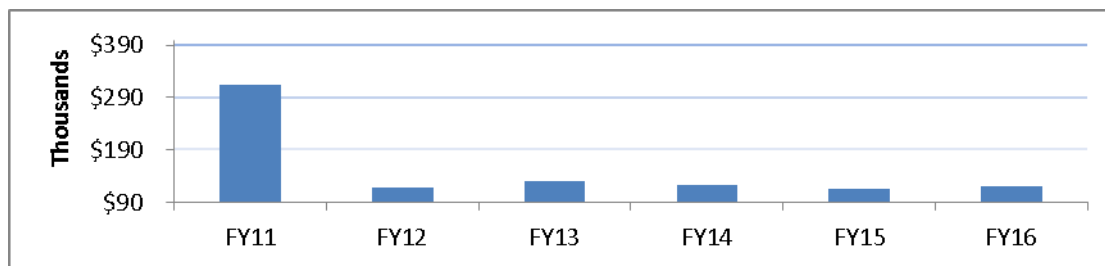
Interest on Investments – Under Chapter 44 Section 55B of the Massachusetts General Laws, all monies held in the name of the Town which are not required to be kept liquid for purpose of distribution shall be invested in such a manner as to require the payment of interest on the money at the highest possible rate reasonably available. The investment decision must take into account safety, liquidity and yield.

Major Changes:

Interest rates on investment have declined through FY12 and are starting to show a slight increase starting in FY13, with FY16 expected to stay level with FY14 actual.

Year to Year Comparison	FY11	FY12	FY13	FY14	FY15	FY16	% Change FY15 - FY16
Investment Income	\$ 313,836	\$ 118,449	\$ 130,403	\$ 121,627	\$ 115,645	\$ 121,000 *	4.6%

*Estimated

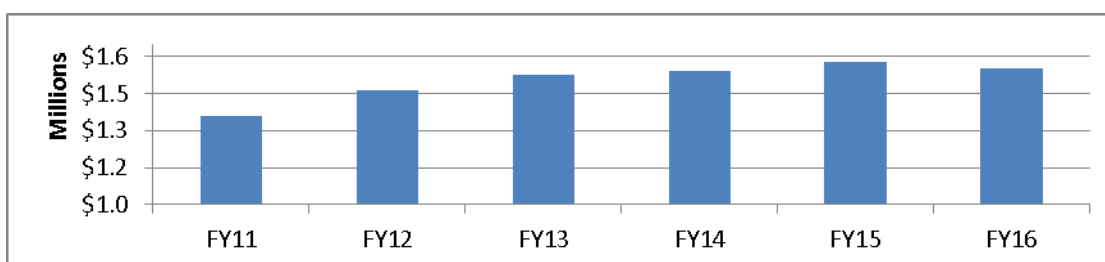


INTERGOVERNMENTAL / INTERFUND TRANSFERS

Water , Sewer and Stevens Estate Transfers - The Water, Sewer and Stevens Estate funds, financed by water and sewer usage charges and event fees provide reimbursement for direct and indirect cost associated with a variety of the Town services, including those offered by Technology, Accounting, Town Manager, Treasurer/Collector, Personnel, Town Counsel and Town Clerk. Additional, enterprise funds provide reimbursement for employee benefits and maintenance of the Water, Sewer and Stevens Estate accounting and billing systems along with property/casualty insurance and workers compensation policies.

Year to Year Comparison	FY11	FY12	FY13	FY14	FY15	FY16	% Change FY15 - FY16
Interfund Tranfers	\$ 1,358,179	\$ 1,463,962	\$ 1,526,297	\$ 1,543,374	\$ 1,576,647	\$ 1,551,391 *	-1.6%

*Estimated



Financial Plan Enterprise Funds

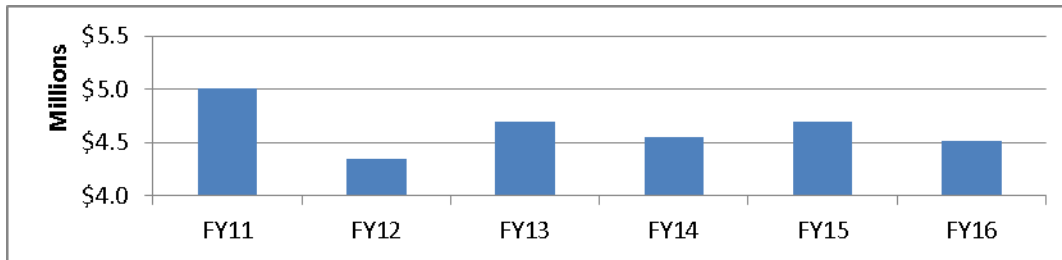
Overview

Water and Sewer Enterprise Fund Budget Summary

The Water and Sewer Enterprise Funds are Town funds separated from others and dedicated to tracking and reporting all activities associated with the operations and maintenance of the water distribution and wastewater collection systems in the Town. Enterprise funds by State law are required under Chapter 44 Section 53F1/2 to be self-sustaining; this requires that the revenues from the operations are sufficient to fund all direct and indirect expenditures of the fund. For FY16, the sources and uses of the funds in the Water and Sewer Enterprise Fund budgets total \$9.8 million. Water Enterprise Fund revenues derived strictly from user fees total \$4.5 million and Sewer Enterprise Fund Revenues derived from user fees total \$3.9 million. The chart below shows the breakdown of revenues in the Water and Sewer Enterprise Funds for FY16.

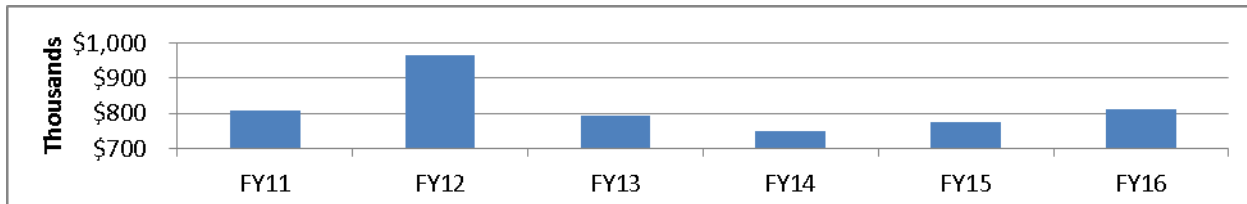
Year to Year Comparison	FY11	FY12	FY13	FY14	FY15	FY16	% Change FY15 - FY16
Water User Fees	\$ 5,013,354	\$ 4,344,947	\$ 4,694,416	\$ 4,547,027	\$ 4,697,959	\$ 4,510,757 *	-4.0%

*Estimated



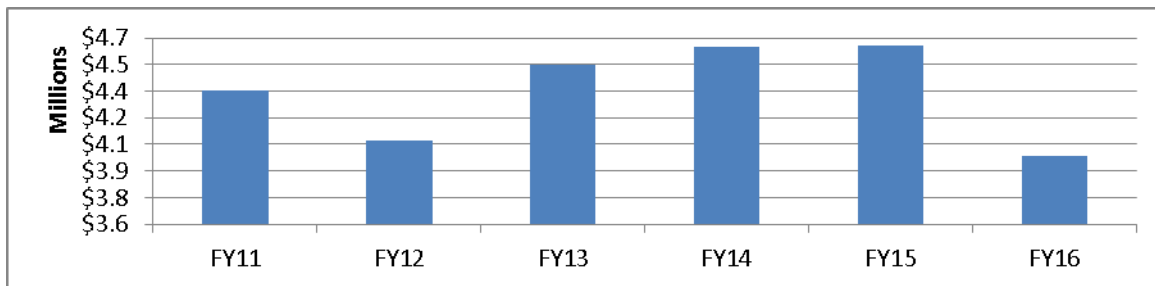
Year to Year Comparison	FY11	FY12	FY13	FY14	FY15	FY16	% Change FY15 - FY16
Water Other Revenue	\$ 807,491	\$ 967,428	\$ 793,890	\$ 748,643	\$ 775,635	\$ 811,511 *	4.6%

*Estimated



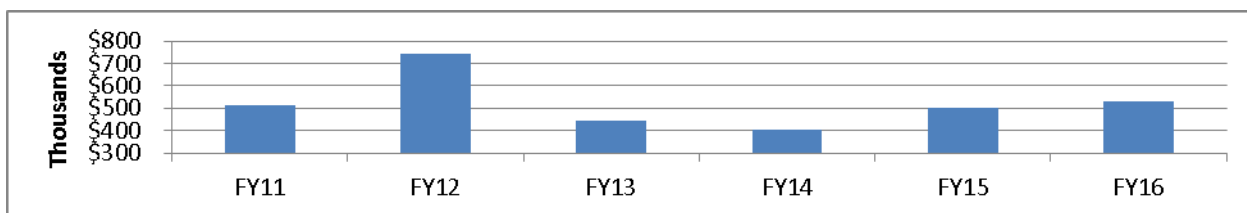
Year to Year Comparison	FY11	FY12	FY13	FY14	FY15	FY16	% Change FY15 - FY16
Sewer User Fees	\$ 4,356,250	\$ 4,071,056	\$ 4,501,561	\$ 4,601,892	\$ 4,606,198	\$ 3,985,139 *	-13.5%

*Estimated

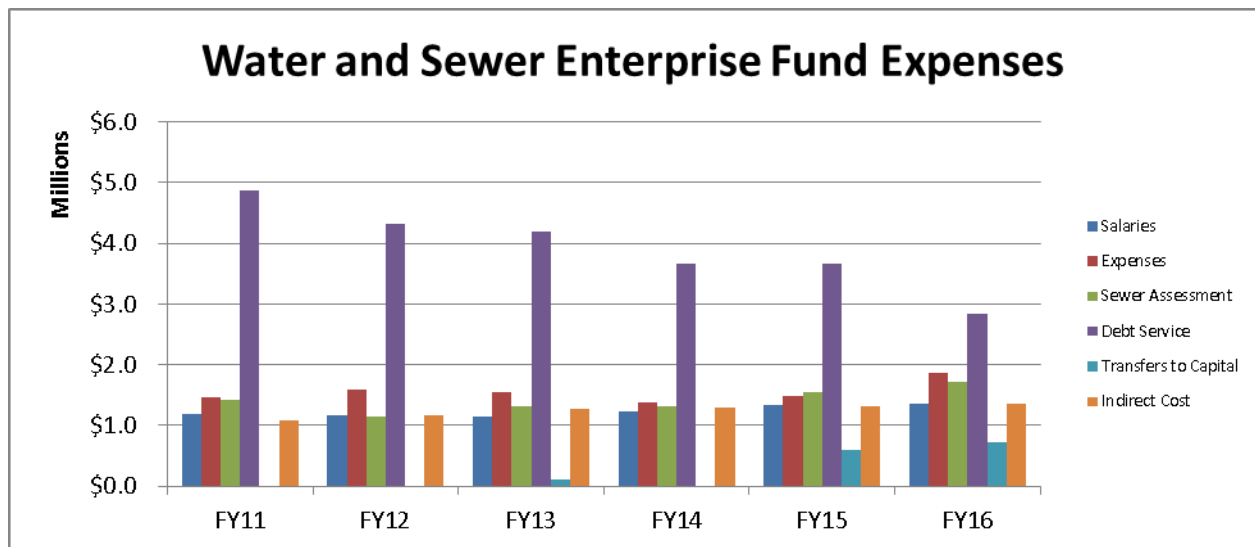


Year to Year Comparison	FY11	FY12	FY13	FY14	FY15	FY16	% Change FY15 - FY16
Sewer Other Revenue	\$ 515,540	\$ 743,615	\$ 445,783	\$ 405,160	\$ 499,748	\$ 529,797 *	6.0%

*Estimated



Uses of funds in the Water and Sewer Enterprise Fund Budgets are comprised of the following categories: Direct Expenses, Sewer Assessment, Debt Service and other Indirect Costs. For FY16, the main use of funds in the Enterprise Fund Budgets continues to be the Sewer Assessment and the Debt Service, which combined make up \$4,553,324 or 46.29% of the total Enterprise Fund Budgets expense level. The chart below details the uses of the funds in the FY16 budget.



As shown in the chart above, some of the major components of the Enterprise Fund Budgets are the Debt Service, Sewer Assessment and Direct Costs. Included in the direct cost are the salaries and expenses to operate the systems.

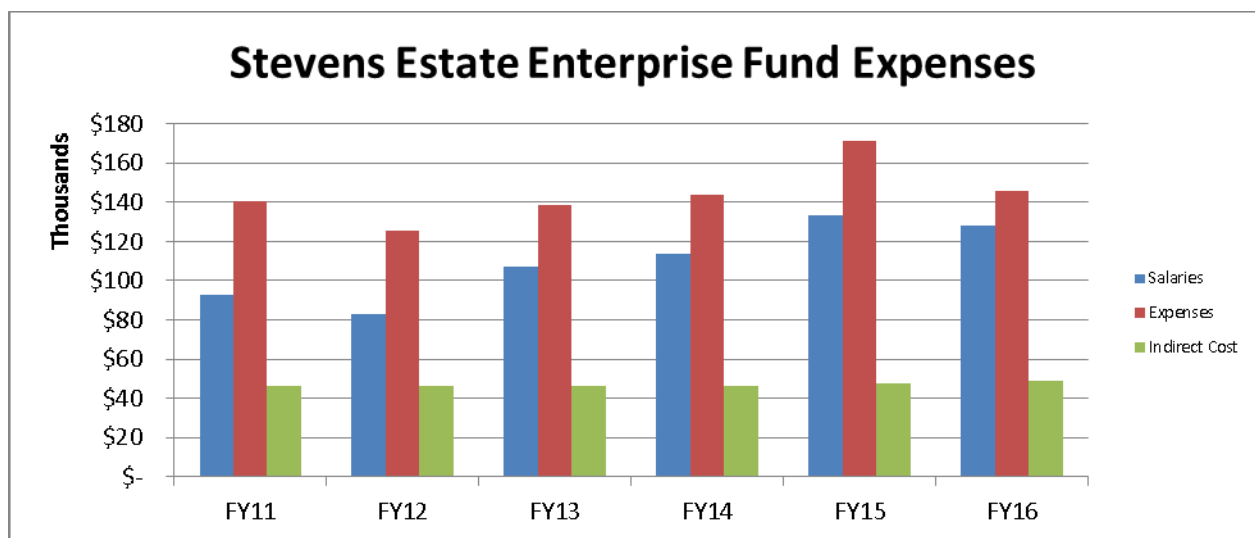
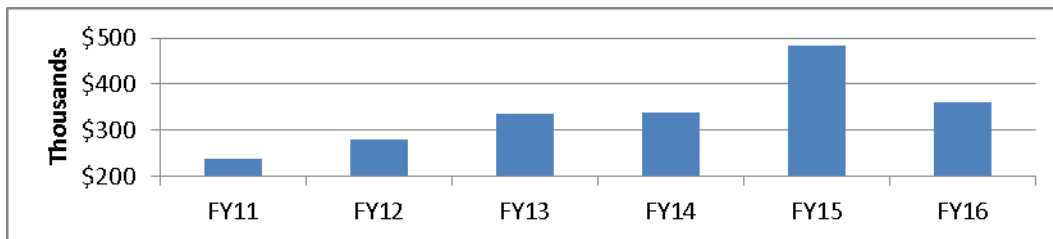
The Fiscal 2016 Enterprise Fund Budgets reflects an overall decrease of 4.60% or \$473,847 when compared to the Fiscal 2015 budget, the majority of the decrease is due to the decrease in debt service.

Overview

Stevens Estate Enterprise Fund Summary

The Stevens Estate Enterprise Fund is a Town fund which is separated from others and dedicated to tracking and reporting all activities associated with the operation of a function facility located on the grounds of the Stevens Estate. The Estate was built in 1886 by Moses T. Stevens and acquired in 1995 by the Town of North Andover to protect and preserve the buildings and grounds. Enterprise funds by State law are required to be self-sustaining; this requires that revenues from operations are sufficient to fund all direct and indirect expenditures of the fund. For FY16, the sources and uses of funds in the Stevens Estate Enterprise Fund Budget total \$360k and are almost exclusively derived from event revenue.

							% Change
Year to Year Comparison	FY11	FY12	FY13	FY14	FY15	FY16	FY15 - FY16
Stevens Estate Fees	\$ 239,200	\$ 280,067	\$ 335,770	\$ 337,551	\$ 483,795	\$ 322,682	* -33.3%
*Estimated							





*Stevens Estate
Courtesy of Millie Matasso*

GENERAL & ENTERPRISE FUND REVENUE BY YEAR						
	Actual FY2011	Actual FY 2012	Actual FY2013	Actual FY2014	Actual FY2015	Adopted FY2016
LOCAL RECEIPTS						
Motor Vehicle Excise	3,775,200	3,750,578	3,779,369	4,362,823	4,107,364	3,700,000
Jet Fuel Tax	15,067	25,851	22,728	25,032	15,906	25,000
Meals Tax	0	140,591	458,321	478,254	503,717	470,000
Forest Products Tax	0	0	0	0	0	0
Hotel Room Tax	249	0	0	82	118	0
Farm Animal Excise	0	0	0	0	0	0
Penalty/ Int. on Prop. Tax	112,714	144,093	122,438	132,629	189,015	120,000
Penalty/ Int. on MVX	23,051	18,743	17,448	20,086	21,167	19,000
Penalty/ Int. on Tax Title	46,473	52,717	130,000	318,304	144,883	63,000
Over/ Under	468	618	633	579	387	0
Lien Certificates	41,155	42,300	45,500	30,305	35,385	39,000
Treasurer Demand Fee	112,437	77,929	79,875	77,086	103,026	77,000
Payment in Lieu of Taxes	30,967	32,126	34,386	35,336	31,911	35,300
Host Community Fee (per agreement)	272,194	278,028	303,482	296,587	292,473	292,445
Host Community Solid Waste Fees (per ton)	1,428,807	1,457,121	1,498,234	1,535,096	1,509,549	1,566,258
Ambulance Service	836,864	948,455	957,149	958,291	942,044	880,000
Dog Fees	45,860	45,010	43,129	41,250	40,082	41,250
Town Clerk Fees	26,433	26,971	26,131	26,721	28,978	26,000
Extended Polling Hours	4,176	2,184	4,368	0	7,090	0
Cable Fees	5,059	5,132	5,215	5,246	8,794	5,200
Clerk Violation Fees	2,100	1,800	2,700	3,070	4,200	3,000
Passports	19,150	19,650	19,480	20,875	19,440	2,000
Clerk Application Fees	1,450	300	100	100	100	100
Conservation Fees	1,070	491	795	593	634	500
Planning Board Filing Fees	24,954	37,465	18,349	7,573	38,782	18,000
Police Fee's	3,071	2,625	3,902	5,102	7,320	5,000
Building Inspection Fees	593,243	816,364	657,992	634,903	832,529	600,000
Plumbing Inspection Fees	59,750	62,555	104,406	62,485	84,942	60,000
Electrical Inspection Fees	86,923	90,891	141,113	94,360	148,698	94,000
Weights/Measures	3,780	3,274	3,912	5,633	4,512	5,600
Recycling Fees	77,696	48,701	42,232	61,686	44,361	61,000
Medicaid Reimbursement	185,081	211,852	207,334	205,916	224,188	150,000
School Dept. Miscellaneous	3,450	560	420	7,207	6,522	0
Library Fines	11,578	7,345	2,186	2,056	2,449	0
Bathing Beach Receipts	31,589	37,273	(6,214)	24,882	25,483	24,000
Rental Income	11,370	12,220	10,970	12,050	11,460	11,580
Cell Tower Lease	85,005	84,554	90,092	95,978	112,513	85,000
Misc. Dept Revenue					0	0
Assessor	1,748	1,761	1,633	1,448	1,331	0
Treasurer Collector	23,723	20,135	5,378	30,481	23,459	0
Town Manager	735	863	2,422	0	0	0
Town Clerk		0	0	250	400	0
Police	3,329	3,304	632	0	0	0
Fire	0	19	2,280	0	0	0
Building Inspection	174	64	0	0	0	0
Community Development	397	775	0	0	0	0
Public Works	849	578	514	0	0	0
Health	0	0	0	0	0	0
Veterans	0	0	0	0	0	0
Library	0	389	4	0	0	0

GENERAL & ENTERPRISE FUND REVENUE BY YEAR						
	Actual FY2011	Actual FY 2012	Actual FY2013	Actual FY2014	Actual FY2015	Adopted FY2016
Appeals Board Receipts	3,289	2,000	31,750	2,200	1,700	2,000
Police 10% Admin. Fee	43,456	35,736	41,859	37,891	40,181	37,000
Police Misc. Revenue	0	0	0	0	0	0
Fire Misc Revenue	0	0	0	0	0	0
Building Department Other Revenue	0	0	0	0	0	0
Fire Alarm Box Permit Fees	21,400	21,180	21,400	21,465	22,400	21,000
Health Dept Misc Revenue	0	0	0	0	0	0
Civil Defense Misc. Revenue	0	0	0	0	0	0
Boxford Veterans Reimbursements	11,707	11,707	12,138	17,411	0	17,000
Liquor License	91,775	95,350	98,300	95,275	100,150	95,000
Other Alcohol License	800	2,200	3,100	3,700	4,225	3,700
Food License	3,700	3,300	6,675	4,750	4,050	4,700
Miscellaneous Licenses	10,600	9,950	6,175	11,430	10,200	11,400
License to Carry Firearms	3,088	5,213	7,413	6,800	4,200	6,800
Fire Permits	40,618	38,712	42,883	47,345	44,123	47,000
Gas Permits	10,423	19,499	26,375	32,881	31,762	32,000
Fishing & Boating License	5,540	4,845	4,820	5,835	5,615	5,800
Burial Permits	4,550	3,950	3,550	3,858	4,500	3,800
Health Permits	54,106	44,626	56,783	60,680	61,057	60,000
Parking Fines	16,569	19,748	21,312	14,110	15,696	14,000
Court Fines	78,795	84,150	84,355	84,605	74,668	84,000
False Alarm Fine	6,225	5,100	7,250	4,900	50	4,900
Interest- General	313,836	118,418	130,403	115,400	115,645	121,000
Misc Non-Recurring						
FEMA	15,516	2,212	261,183	4,694	0	0
Hopkinton Bill	13,119	13,197	466	42,665	41,148	0
Insurance Reimb	5,923	2,435	69,051	2,433	40,323	0
Surplus Vehicle Auction	11,897	36,825	0	9,749	0	0
Abandon Property Payment	23,828	0	12,916	11,527	113,461	0
Medicare Part D	77,991	105,558	89,922	84,518	6,830	0
Bond Premium	127,464	41,359	24,215	143,149	291,987	0
Wheelerbrator Settlement	0	227,954	0	0	0	0
Court Restitution	0	12,600	0	0	0	0
08 Ice Storm	0	27,896	0	0	0	0
2012 One Time Aid	0	125,332	0	0	0	0
State Share 2010 Flood Relief	0	12,670	0	0	0	0
Hurricane Irene Relief	0	0	6,469	0	0	0
Prior year Revenue	0	14,011	5,500	93,464	0	0
Prudential Demualization	0	105,866	0	0	0	0
Legal Fee Reimb - Foreclosure	0	0	0	4,668	0	0
IRS Refunds	0	0	3,340	0	0	0
Free Cash	0	0	1,117,710	0	838,000	1,435,760
TOTAL LOCAL RECEIPTS	9,005,601	9,767,852	11,038,350	10,587,758	11,447,182	10,486,094
PROPERTY TAXES	57,744,496	60,164,885	60,795,372	63,205,294	64,618,660	67,697,726
STATE AID	8,627,928	8,558,726	9,488,463	9,848,056	10,036,762	9,595,512
OTHER FINANCING SOURCES	2,049,131	1,463,962	1,526,297	1,543,374	1,576,648	1,551,391
TOTAL GENERAL FUND REVENUES	77,427,156	79,955,424	82,848,482	85,184,481	87,679,252	89,330,722
Water & Sewer Enterprise Funds						
User Charges	9,369,604	8,416,004	9,195,977	9,148,919	9,304,158	8,495,896
Other Fees	1,323,031	1,711,043	1,239,673	1,153,803	1,275,382	1,341,308
Stevens Estate Enterprise Fund						
Event Fees	239,200	280,067	335,770	337,551	483,795	322,682
TOTAL REVENUES GENERAL & ENTERPRISE FUNDS	88,358,991	90,362,539	93,619,902	95,824,755	98,742,587	99,490,608

GENERAL & ENTERPRISE FUND EXPENDITURES BY YEAR
SUMMARY OF EXPENDITURE CHANGES

	Actual FY2011	Actual FY 2012	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
GENERAL GOVERNMENT						
Town Moderator	800	270	662	500	500	825
Town Manager/Selectmen	269,410	294,997	311,871	366,591	337,667	337,194
Assistant Town Manager	73,703	47,515	48,953	0	0	0
Human Resources	20,617	76,390	78,789	83,552	144,495	163,262
Town Accountant	204,013	205,504	220,218	226,285	233,462	212,961
Finance Committee	406	326	326	409	429	795
Treasurer/Collector	298,075	282,746	298,246	300,033	307,308	320,034
Assessor	283,179	303,627	311,052	307,872	312,672	318,115
Legal	165,083	115,134	94,432	100,049	89,340	152,000
Town Clerk	304,714	274,697	337,890	262,269	306,990	306,339
Community Development	191,313	197,097	212,752	200,888	260,049	277,506
Planning	97,631	107,229	108,091	108,925	59,027	105,075
Conservation	80,150	81,413	85,784	89,236	114,361	118,672
Board of Appeals	29,836	32,750	34,689	36,991	30,399	22,680
General Gov't Salary Reserve	0	0	0	0	0	20,000
Total General Government	2,018,930	2,019,696	2,143,756	2,083,600	2,196,697	2,355,457
PUBLIC SAFETY						
Police	4,176,505	4,057,451	4,269,982	4,239,883	4,391,448	4,853,751
Fire	4,185,558	4,331,697	4,599,502	4,640,688	4,865,008	4,975,524
Public Safety Reserve	0	0	0	208,714	27,048	293,840
Building Inspection	247,115	228,714	245,108	256,912	273,496	267,924
Emergency Management	17,246	20,186	20,083	30,400	40,868	41,475
Total Public Safety	8,626,424	8,638,048	9,134,674	9,376,598	9,597,868	10,432,514
PUBLIC WORKS						
Administration	336,958	398,505	394,502	389,250	426,834	433,431
Streets & Sidewalks	721,593	797,071	729,945	871,231	823,435	885,008
Solid Waste/Recycling	1,213,570	1,215,128	1,220,358	1,139,097	1,208,734	1,288,952
Vehicle Maintenance	264,401	236,139	252,825	354,089	357,192	408,497
Structures & Grounds	505,507	521,853	530,391	522,930	545,795	582,529
Public Works Salary Reserve	0	0	0	0	0	9,541
Snow & Ice Removal	1,147,187	626,534	1,349,295	1,332,871	1,946,609	875,000
Total Public Works	4,189,216	3,795,230	4,477,316	4,609,468	5,308,600	4,482,958
HEALTH & HUMAN SERVICES						
Health	192,255	195,342	191,254	201,945	205,529	207,966
Elder Services	241,546	232,074	237,845	252,233	257,240	259,233
Youth Services	224,964	242,682	234,077	297,423	341,832	317,770
Veterans Services	275,090	321,837	322,544	332,222	389,130	420,757
Health & Human Service Salary Reserve	0	0	0	0	0	14,807
Total Health & Human Services	933,855	991,934	985,720	1,083,822	1,193,731	1,220,533

**GENERAL & ENTERPRISE FUND EXPENDITURES BY YEAR
SUMMARY OF EXPENDITURE CHANGES**

	Actual FY2011	Actual FY 2012	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
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CULTURE & RECREATION

Stevens Library	813,521	827,774	847,254	861,428	894,863	974,850
Festival Committee	0	0	0	0	0	0
Culture & Recresation Salary Reserve	0	0	0	0	0	0
Total Culture & Recreation	813,521	827,774	847,254	861,428	894,863	974,850

SUPPORT SERVICES

Outside Auditing	55,500	55,500	56,080	57,580	58,580	55,000
Purchasing	17,156	48,491	48,837	49,119	49,699	50,264
Information Technology	780,640	909,512	906,694	999,620	1,260,589	1,142,900
Facility Management	0	74,938	91,436	236,220	295,147	303,019
Support Services Salary Reserve	0	0	0	0	0	13,178
Total Support Services	853,296	1,088,441	1,103,047	1,342,538	1,664,015	1,564,360

EDUCATION

Education	36,970,605	36,981,430	38,494,272	39,861,676	41,848,445	43,612,479
All Day Kindergarten	0	0	0	0	680,000	0
Special Education Reserve	0	0	0	0	175,000	0
Regional School Assessment	362,500	243,954	251,748	240,750	377,644	457,798
School Building	575	898	900	0	0	0
Total Education	37,333,680	37,226,282	38,746,920	40,102,426	43,081,089	44,070,277

Debt	6,912,659	7,242,540	6,333,589	6,324,465	5,564,844	5,858,518
Unclassified - Shared Cost	1,019,122	1,055,013	1,008,161	1,051,770	1,065,766	1,224,978
Group Insurance	8,396,967	10,045,567	10,242,904	10,547,403	8,598,806	10,202,420
Liability Insurance	276,258	271,059	290,896	301,405	293,178	444,071
Retirement	2,803,785	3,002,374	3,186,990	3,442,269	3,759,115	4,071,413
Capital	0	0	0	0	223,500	0
Reserves	373,167	0	1,088,000	0	838,000	1,027,412
27th Payroll Reserve	0	0	0	0	0	408,348
Deficits	253,432	32,415	40,103	0	1,608	303
Overlay	316,384	459,973	629,707	564,134	530,315	550,000
State Assessments	2,115,484	1,813,511	1,788,615	1,254,988	436,946	460,309

General Fund Budget	77,236,180	78,509,857	82,047,654	82,946,314	85,248,938	89,348,722
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Enterprise Fund Expenses

Water & Sewer Enterprise Funds	10,024,009	9,402,557	9,596,643	8,897,876	9,957,560	9,837,204
Stevens Estate Enterprise Fund	279,607	255,024	291,575	304,431	351,794	322,682

**TOTAL EXPENDITURES GENERAL FUND
AND ENTERPRISE FUNDS**

	87,539,796	88,167,438	91,935,872	92,148,621	95,558,292	99,508,609
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Description of Funds Subject to Appropriation

General Fund – The primary operating fund of the Town. This fund is used to account for all financial transactions and resources except for those that are accounted for in another fund, i.e. Special Revenue, Grants and Donation accounts. Revenues are derived primarily from property taxes, charges for services, licenses and permits, fines and forfeits, intergovernmental revenue and miscellaneous revenue. The departments included on the General Fund budget are as follows:

- | | |
|------------------------|-------------------------------|
| (1) General Government | (4) Health & Human Services |
| Town Moderator | Health |
| Town Manager | Elder Services |
| Human Resources | Youth Services |
| Town Accountant | Veterans Services |
| Finance Committee | |
| Treasurer/Collector | (5) Culture & Recreation |
| Assessors | Library |
| Legal | |
| Community Development | (6) Support Services |
| Planning | Outside Auditing |
| Conservation | Purchasing |
| Board of Appeals | Information Technology |
| | Facility Management |
| (2) Public Safety | (7) Education |
| Police | |
| Fire | (8) Fixed Cost, Miscellaneous |
| Building Inspection | and Debt Service |
| Emergency Management | |
| (3) Public Works | |
| Administration | |
| Streets & Sidewalks | |
| Solid Waste/Recycling | |
| Vehicle Maintenance | |
| Structures & Grounds | |
| Snow & Ice Removal | |

GOVERNMENTAL FUND BALANCE CLASSIFICATION

GASB54 provides for two major types of fund balances, which are nonspendable and spendable. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories and principal (corpus) of an endowment fund. The Town has reported portions of endowment funds as nonspendable.

In addition to the nonspendable fund balance, GASB54 has provided a hierarchy of spendable fund balances, based on a hierarchy of spending constraints.

- Restricted: fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.
- Committed: fund balances that contain self-imposed constraints of the government from its highest level of decision making authority
- Assigned: fund balances that contain self-imposed constraints of the government to be used for a particular purpose.
- Unassigned: fund balances of the general fund that is not constrained for any particular purpose.

The Town has classified its fund balances with the following hierarchy.

		<u>General</u>	<u>Community Preservation</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
FUND BALANCE					
Nonspendable					
	Permanent fund principal	\$ -	\$ -	\$ 29,215	\$ 29,215
Restricted for:					
	Municipal federal and state grants	-	-	109,984	109,984
	Education federal and state grants	-	-	7,753	7,753
	Receipts reerved for appropriations	-	-	132,739	132,739
	Municipal revolving funds	-	-	514,733	514,733
	Education revovlving funds	-	-	205,836	205,836
	School lunch funds	-	-	31,782	31,782
	CPA fund	-	6,784,648	-	6,784,648
	Other special revenue funds	-	-	856,670	856,670
	Affordable housing trust fund	-	-	974,271	974,271
	Other trust funds	-	-	75,365	75,365
	Municipal capital projects	-	-	3,441,753	3,441,753
	Education capital projects	-	-	150,627	150,627
	Other permanent funds	-	-	735,384	735,384
	Debt service	762,324	-	-	762,324
Assigned to:					
Encumbrances					
	General government	11,008	-	-	11,008
	Public Safety	48,806	-	-	48,806
	Education	36,005	-	-	36,005
	Public Works	160,897	-	-	160,897
	Health and human services	2,402	-	-	2,402
	Culture and recreation	1,014	-	-	1,014
	Support services	104,130	-	-	104,130
	Employee benefits	2,224	-	-	2,224
Unassigned		<u>8,981,055</u>	-	<u>0</u>	<u>8,981,055</u>
TOTAL FUND BALANCES		<u>\$ 10,109,865</u>	<u>\$ 6,784,648</u>	<u>\$ 7,266,112</u>	<u>\$ 24,160,625</u>

Source: Town of North Andover June 30, 2014 CAFR

Non-major Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are typically restricted to expenditures for a particular purpose.

Municipal Federal and State Grants – This fund is used to account for grant funds received from state and federal governments which are designated for specific non-school related programs.

Education Federal and State Grants - This fund is used to account for grant funds received from state and federal governments which are designated for specific school related programs.

Receipts Reserved for Appropriation – This fund is used to account for receipts from a specific revenue source that by law is accounted for separately from the general fund and must be spent by appropriation.

Municipal Revolving Funds – This fund is used to account for various municipal department's revolving funds established in accordance with MGL Chapter 44, Section 53E ½ and other applicable statutes.

Education Revolving Funds – This fund is used to account for the school department's revolving funds established in accordance with MGL Chapter 44, Section 53E ½ and Chapter 71.

School Lunch Fund – This fund is used to account for all cafeteria activities and is funded by user charges, federal and state grants and commodities received.

Other Special Revenue Funds – This fund is used to account for the activity of donated funds, gifts, and public safety details.

Affordable Housing Trust Fund – This fund is used to account for activities relating to the preservation and creation of affordable housing in the Town.

Other Trust Funds – This fund is used to account for activities of conservation and public safety trust funds.

Capital Project Funds

Capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Highway Chapter 90 Projects – This fund is used to account for construction and reconstruction of the Town's roadways. These projects are funded by state grants from the Massachusetts Highway Department.

Municipal Capital Projects – This fund is used to account for the acquisition of non-school related capital assets that are funded through both appropriation and borrowing.

Education Capital Projects - This fund is used to account for the acquisition of school related capital assets that are funded through both appropriation and borrowing.

Permanent Funds

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purpose that support governmental programs.

Permanent Funds Principal – This fund is used to account for all non-library related gifts, bequests and contributions for which only earnings may be expended to benefit the Town.

Library Permanent Funds – This fund is used to account for gifts, bequests and contributions held for which only earnings may be expended for purpose specified by the donor in relation to library activities.

Stabilization Funds

Town Stabilization Fund

This fund is a statutory reserve account which may be used for any municipal purpose. This fund requires a two-thirds affirmative vote by the Town Meeting to appropriate. The FY16 Budget does make a contribution to this fund.

Fund balance as of June 30, 2014	\$3,546,260
FY15 contribution	<u>\$ 625,000</u>
 FY15 Est. Fund Balance as of June 30, 2015	 <u>\$4,172,260</u>
FY16 contribution	\$ 64,412
Projected FY16 Fund Balance	<u>\$4,236,672</u>

Town Capital Stabilization Fund

This fund is a statutory reserve account which may be used for additional source of funding for capital construction and replacement projects, as well as unforeseen capital expenditures. This fund requires a two-thirds affirmative vote by the Town Meeting to appropriate. The FY16 Budget does make a contribution to this fund.

Projected Fund balance as of June 30, 2014	238,890
FY15 contribution	<u>\$ 213,000</u>
 FY15 Est. Fund Balance as of June 30, 2015	 <u>\$ 451,890</u>
FY16 contribution	\$ 213,000
Projected FY16 Fund Balance	<u>\$ 664,890</u>

Other Post-Retirement Benefits (OPEB) Stabilization Fund

Fund balance as of June 30, 2014	\$ 0
FY15 contribution	\$ 1,000,000
FY15 Fund balance as of June 30, 2015	<u>\$ 1,000,000</u>

Note:

Est. OPEB Liability as of June 30, 2013	\$100,068,844
Est OPEB Liability as of June 30, 2014	\$ 86,605,373

Enterprise Fund Retained Earnings Reserve

Water Fund – as of June 30, 2014	5.72 months*
Sewer Fund – as of June 30, 2014	4.41 months*

*assuming FY15 Budget Expenditures

Undesignated Fund Balance

The General Fund budget includes expenditures that are financed through transfers from other funds, such as Water, Sewer and Stevens Estate funds.

Fund balance as of June 30, 2014	\$ 4,001,699
FY14 revenues and other financing sources	\$ 85,184,481
FY14 expenditures and other financing uses	<u>\$(82,295,291)</u>
 Fund Balance as of June 30, 2014	 <u>\$ 6,890,890</u>
 Certified Free Cash as of June 30, 2014	 \$ 5,407,340

TOWN OF NORTH ANDOVER SUMMARY OF REVENUES AND EXPENSES

		FY13 ACTUAL	FY14 ACTUAL	FY15 ACTUAL	FY16 DEPARTMENT REQUESTED	FY16 ADOPTED
I. REVENUES						
	TAX LEVY	58,388,531	60,689,624	62,119,470	65,230,264	65,230,264
	DEBT EXCLUSION	1,771,640	1,742,044	1,705,849	1,867,461	1,867,461
	NEW GROWTH	635,201	773,625	793,341	600,000	600,000
	SUBTOTAL	60,795,372	63,205,294	64,618,660	67,697,726	67,697,726
	LOCAL RECEIPTS	9,447,577	10,197,117	10,115,434	9,068,334	9,068,334
	CHERRY SHEET	9,488,463	9,848,056	10,036,762	9,595,512	9,595,512
	RESERVES AND ONE TIME REVENUE	1,561,063	396,868	1,331,748	-	1,435,760
	INTERFUND TRANSFERS	1,526,297	1,543,374	1,576,647	1,551,391	1,551,391
	SUBTOTAL	22,023,401	21,985,415	23,060,592	20,215,236	21,650,996
	TOTAL REVENUE	82,818,773	85,190,708	87,679,252	87,912,962	89,348,722
II. EXPENSES						
	TOWN BUDGETS	18,691,767	19,357,454	20,855,772	21,030,673	21,030,673
	SCHOOL BUDGET	38,495,172	39,861,677	42,703,445	43,612,479	43,612,479
	VOCATIONAL SCHOOL	251,748	240,750	377,644	457,798	457,798
	SHARED EXPENSES					
	DEBT SERVICE	6,333,589	6,324,465	5,564,844	5,858,518	5,858,518
	RETIREMENT ASSESSMENT	3,186,990	3,442,269	3,759,115	4,071,413	4,071,413
	WORKERS COMPENSATION	248,669	271,426	310,629	351,478	351,478
	UNEMPLOYMENT	55,406	102,434	19,692	100,000	100,000
	GROUP INSURANCE	10,242,904	10,547,403	8,598,806	9,800,000	10,202,420
	PAYROLL TAXES	603,983	630,977	675,868	650,000	650,000
	POLICE AND FIRE ACCIDENT INS	100,104	46,933	59,577	123,500	123,500
	LIABILITY INSURANCE	290,896	301,405	293,178	444,071	444,071
	STABILIZATION	850,000	-	625,000	-	64,412
	CAPITAL STABILIZATON	238,000	-	213,000	-	213,000
	TRANSFER TO CAPITAL PROJECTS	-	-	223,500	-	-
	TRANSFER TO SPECIAL EDUCATION STABILIZATION	-	-	-	-	750,000
	SALARY RESERVE (27th Payroll)	-	-	-	-	408,348
	DEFICITS (SNOW & ICE)	-	-	-	-	-
	DEFICITS (OVERLAY, OTHER FUNDS)	40,103	-	1,608	-	303
	*SUBTOTAL EXPENSES	79,629,331	81,127,192	84,281,677	86,499,930	88,338,413
	* Excludes Non Appropriated Expenses (i.e. State Assessments & Overlay Provisions)					
	OVERLAY PROVISIONS	629,707	564,134	530,315	550,000	550,000
	ASSESSMENTS	1,788,615	1,254,988	436,946	480,323	460,309
	TOTAL GENERAL FUND EXPENSES	82,047,654	82,946,315	85,248,938	87,530,253	89,348,722
	BALANCE AVAILABLE GENERAL FUND	771,119	2,244,394	2,430,314	382,709	(0)
ENTERPRISE FUNDS						
	WATER RECEIPTS	5,488,306	5,295,670	5,473,594	5,322,268	5,322,268
	SEWER RECEIPTS	4,947,344	5,007,052	5,105,946	4,514,936	4,514,936
	STEVENS ESTATE RECEIPTS	335,770	337,551	483,795	360,000	360,000
	TOTAL RECEIPTS	10,771,420	10,640,273	11,063,335	10,197,204	10,197,204
	WATER EXPENSES	4,885,495	4,601,086	5,388,886	5,322,268	5,322,268
	SEWER EXPENSES	4,711,148	4,296,789	4,568,674	4,514,936	4,514,936
	STEVENS ESTATE EXPENSES	291,575	304,431	351,794	322,682	322,682
	TOTAL EXPENSES	9,888,217	9,202,307	10,309,354	10,159,886	10,159,886
	BALANCE AVAILABLE ENTERPRISE FUNDS	883,203	1,437,967	753,981	37,318	37,318

TOWN OF NORTH ANDOVER DETAIL EXPENSES

	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Department Requested	FY16 Adopted
<u>GENERAL GOVERNMENT</u>					
<u>MODERATOR</u>					
Salaries	662	500	500	825	825
Expense	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Moderator Budget	662	500	500	825	825
<u>SELECTMENT/TOWN MANAGER</u>					
Town Manager	149,000	153,046	157,981	158,776	158,776
Assistant Town Manager	0	47,520	48,352	48,351	48,351
Admin Assistant	38,677	25,826	0	0	0
Confidential Secretary	44,046	47,973	0	0	0
Executive Assistant	0	0	40,266	48,097	48,097
Selectmen	25,500	24,856	25,170	25,500	25,500
Other Compensation	<u>5,291</u>	<u>1,688</u>	<u>9,908</u>	<u>6,520</u>	<u>6,520</u>
Total Salaries	262,513	300,908	281,677	287,244	287,244
Expense	<u>49,359</u>	<u>65,683</u>	<u>55,990</u>	<u>49,950</u>	<u>49,950</u>
Total Selectmen/Town Manager Budget	311,871	366,591	337,667	337,194	337,194
<u>HUMAN RESOURCES</u>					
Human Resource Director	76,014	80,160	81,032	79,974	79,974
HR Benefits Specialist	0	0	51,341	54,484	54,484
Other Compensation	<u>0</u>	<u>0</u>	<u>1,125</u>	<u>1,125</u>	<u>1,125</u>
Total Salaries	76,014	80,160	133,497	135,583	135,583
Expense	<u>2,775</u>	<u>3,392</u>	<u>10,997</u>	<u>27,679</u>	<u>27,679</u>
Total Human Resources Budget	78,789	83,552	144,495	163,262	163,262
<u>ASSISTANT TOWN MANAGER</u>					
Salaries	46,703	0	0	0	0
Other Compensation	<u>413</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Salaries	47,115	0	0	0	0
Expense	<u>1,838</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assistant Town Manager Budget	48,953	0	0	0	0
<u>TOWN ACCOUNTANT</u>					
Town Accountant	92,609	95,040	97,877	96,703	96,703
Assistant Town Accountant	43,075	43,828	46,075	52,595	52,595
Payroll Coordinator	24,246	24,953	27,611	24,668	24,668
Accounts Payable Clerk	37,226	37,869	41,131	14,222	14,222
Other Compensation	<u>2,275</u>	<u>2,275</u>	<u>2,275</u>	<u>2,606</u>	<u>2,606</u>
Total Salaries	199,430	203,965	214,968	190,794	190,794
Expense	<u>20,789</u>	<u>22,320</u>	<u>18,494</u>	<u>22,167</u>	<u>22,167</u>
Total Town Accountant Budget	220,218	226,285	233,462	212,961	212,961
<u>FINANCE COMMITTEE</u>					
Expense	<u>326</u>	<u>409</u>	<u>429</u>	<u>795</u>	<u>795</u>
Total Finance Committee	326	409	429	795	795
<u>ASSESSORS</u>					
Assessor	75,849	77,176	78,527	78,527	78,527
Assistant Assessors (2)	88,890	90,446	92,028	92,028	92,028
Department Assistant	28,173	29,891	31,028	32,360	32,360
Board of Assessors	10,000	10,000	10,000	10,000	10,000
Other Compensation	<u>7,872</u>	<u>2,775</u>	<u>2,775</u>	<u>2,775</u>	<u>2,775</u>
Total Salaries	210,784	210,288	214,359	215,690	215,690
Expense	<u>100,268</u>	<u>97,585</u>	<u>98,313</u>	<u>102,425</u>	<u>102,425</u>
Total Assessors Budget	311,052	307,872	312,672	318,115	318,115

	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Department Requested	FY16 Adopted
<u>TREASURER/COLLECTOR</u>					
Treasurer/Collector	64,612	65,743	66,893	66,893	66,893
Principal Assistant	40,346	41,048	42,183	42,812	42,812
Department Assistants (2)	73,822	75,738	76,942	79,014	79,014
Other Compensation	<u>3,100</u>	<u>3,266</u>	<u>5,657</u>	<u>3,200</u>	<u>3,200</u>
Total Salaries	181,879	185,794	191,675	191,919	191,919
Expense	<u>116,366</u>	<u>114,239</u>	<u>115,633</u>	<u>128,115</u>	<u>128,115</u>
Total Treasurer/Collector Budget	298,246	300,033	307,308	320,034	320,034
<u>LEGAL</u>					
Expense	<u>94,432</u>	<u>100,049</u>	<u>89,340</u>	<u>152,000</u>	<u>152,000</u>
Total Legal Budget	94,432	100,049	89,340	152,000	152,000
<u>TOWN CLERK</u>					
Town Clerk	69,957	71,235	72,468	71,668	71,668
Assistant Town Clerk	44,798	45,582	45,488	46,379	46,379
Department Assistant (2)	72,642	73,636	76,752	79,232	79,232
Registrars	1,980	2,160	2,335	2,160	2,160
Other Compensation	<u>1,850</u>	<u>2,375</u>	<u>2,575</u>	<u>3,700</u>	<u>3,700</u>
Total Salaries	191,227	194,989	199,618	203,139	203,139
Expense	<u>146,663</u>	<u>67,281</u>	<u>107,373</u>	<u>103,200</u>	<u>103,200</u>
Total Town Clerk Budget	337,890	262,269	306,990	306,339	306,339
<u>CONSERVATION</u>					
Conservation Administrator	58,651	63,293	66,940	66,940	66,940
Department Assistant	18,536	18,935	38,471	39,507	39,508
Other Compensation	<u>938</u>	<u>938</u>	<u>1,508</u>	<u>1,350</u>	<u>1,350</u>
Total Salaries	78,125	83,165	106,919	107,797	107,797
Expense	<u>7,659</u>	<u>6,070</u>	<u>7,441</u>	<u>10,875</u>	<u>10,875</u>
Total Conservation Budget	85,784	89,236	114,361	118,672	118,672
<u>COMMUNITY DEVELOPMENT</u>					
Director	94,954	96,616	95,537	92,000	92,000
Assistant Director	0	0	45,486	55,000	55,000
Administrative Assistant	47,030	47,853	48,691	48,691	48,691
Other Compensation	<u>1,550</u>	<u>1,650</u>	<u>1,344</u>	<u>1,650</u>	<u>1,650</u>
Total Salaries	143,534	146,119	191,057	197,341	197,341
Expense	<u>69,218</u>	<u>54,769</u>	<u>68,992</u>	<u>80,165</u>	<u>80,165</u>
Total Community Development Budget	212,752	200,888	260,049	277,506	277,506
<u>PLANNING</u>					
Town Planner	65,689	62,432	35,737	58,250	58,250
Department Assistant	32,651	34,755	14,318	30,791	30,791
Other Compensation	<u>3,720</u>	<u>897</u>	<u>0</u>	<u>3,209</u>	<u>3,209</u>
Total Salaries	102,060	98,084	50,055	92,250	92,250
Expense	<u>6,030</u>	<u>10,841</u>	<u>8,972</u>	<u>12,825</u>	<u>12,825</u>
Total Planning Budget	108,091	108,925	59,027	105,075	105,075
<u>BOARD OF APPEALS</u>					
Department Assistant	33,875	35,791	29,115	20,680	20,680
Other Compensation	0	0	525	525	525
Total Salaries	33,875	35,791	29,640	21,205	21,205
Expense	<u>815</u>	<u>1,200</u>	<u>759</u>	<u>1,475</u>	<u>1,475</u>
Total Board of Appeals Budget	34,689	36,991	30,399	22,680	22,680
<u>SALARY RESERVE</u>					
General Government Salary Reserve	0	0	0	20,000	20,000
Total Salaries	0	0	0	20,000	20,000
TOTAL GENERAL GOVERNMENT	2,143,756	2,083,600	2,196,697	2,355,457	2,355,457

	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Department Requested	FY16 Adopted
<u>PUBLIC SAFETY</u>					
<u>POLICE DEPARTMENT</u>					
Chief (1)	128,690	130,907	133,163	133,163	133,163
Lieutenant (2)	196,743	191,363	207,721	206,220	206,220
Sergeants (8)	570,104	645,822	661,778	678,457	678,457
Patrol Officers (29)	1,728,682	1,577,732	1,672,937	1,759,056	1,759,056
Administrative Service Director	70,559	71,794	73,050	73,050	73,050
Community Service Officer	39,242	37,876	38,744	41,799	41,799
Administrative Secretary	40,346	41,048	41,867	42,812	42,812
Department Assistant	31,499	37,869	38,630	39,507	39,507
Communications Officers (9), Reserve Disp (2)	361,982	321,110	311,659	409,821	409,821
Holiday Pay	68,425	56,463	63,075	67,344	67,344
Differential (Disptachers)	15,504	15,157	14,768	18,356	18,356
Overtime	122,665	119,635	132,805	123,448	123,448
Holiday Overtime	29,824	42,835	31,193	42,774	42,774
Personal Pay Overtime	20,735	28,567	19,270	19,588	19,588
Vacation Pay Overtime	86,853	103,312	99,490	91,582	91,582
Other Compensation	<u>283,596</u>	<u>214,996</u>	<u>233,588</u>	<u>380,619</u>	<u>380,619</u>
Total Salaries	3,795,448	3,636,485	3,773,738	4,127,596	4,127,596
Expense	<u>474,533</u>	<u>603,398</u>	<u>617,711</u>	<u>726,155</u>	<u>726,155</u>
Total Police Budget	4,269,982	4,239,883	4,391,448	4,853,751	4,853,751
<u>FIRE DEPARTMENT</u>					
Chief	107,687	113,571	111,489	111,489	111,489
Deputy Fire Chief	0	0	0	100,300	100,300
Lieutenants (9)	600,773	611,496	649,842	625,435	625,435
Firefighters (44)	2,324,624	2,361,293	2,390,359	2,426,474	2,426,474
Administrative Secretary	40,346	41,048	41,867	42,812	42,812
Holiday Pay	251,617	250,796	258,467	294,538	294,538
Overtime	117,848	115,463	102,305	72,837	72,837
Personal Pay Overtime	66,622	77,651	73,454	92,639	92,639
Vacation Pay Overtime	266,193	279,042	303,622	303,184	303,184
EMT Stipend	136,370	146,849	165,660	160,910	160,910
Other Compensation	<u>291,948</u>	<u>233,279</u>	<u>254,383</u>	<u>207,836</u>	<u>207,836</u>
Total Salaries	4,204,027	4,230,488	4,351,446	4,438,454	4,438,454
Expense	<u>395,475</u>	<u>410,200</u>	<u>513,562</u>	<u>537,070</u>	<u>537,070</u>
Total Fire Budget	4,599,502	4,640,688	4,865,008	4,975,524	4,975,524
<u>PUBLIC SAFETY SALARY RESERVE</u>					
Public Safety Salary Reserve (includes retirements)	0	208,714	27,048	0	293,840
Total Public Safety Reserve Budget	0	208,714	27,048	0	293,840
<u>INSPECTIONAL SERVICES</u>					
Inspector of Buildings	75,574	76,897	78,243	78,243	78,243
Building Inspector	52,579	53,500	55,106	54,436	54,436
Electrical Inspector	37,908	45,162	52,229	39,020	39,020
Plumbing/Gas Inspector	18,261	23,672	27,139	21,238	21,238
Department Assistant	36,504	39,283	38,630	39,507	39,507
Other Compensation	<u>2,295</u>	<u>2,295</u>	<u>8,333</u>	<u>18,234</u>	<u>18,234</u>
Total Salaries	223,122	240,808	259,679	250,678	250,678
Expense	<u>21,986</u>	<u>16,104</u>	<u>13,817</u>	<u>17,245</u>	<u>17,245</u>
Total Building Inspection Budget	245,108	256,912	273,496	267,923	267,924

	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Department Requested	FY16 Adopted
<u>EMERGENCY MANAGEMENT</u>					
Director	5,331	5,331	5,424	5,464	5,464
Other Compensation	0	0	0	0	0
Total Salaries	5,331	5,331	5,424	5,464	5,464
Expense	14,752	25,069	35,443	36,011	36,011
Total Emergency Management Budget	20,083	30,400	40,868	41,475	41,475
TOTAL PUBLIC SAFETY	9,134,674	9,376,598	9,597,868	10,138,673	10,432,514
<u>PUBLIC WORKS</u>					
<u>ADMINISTRATION</u>					
Director	102,302	104,092	106,556	105,914	105,914
Operations Manager	42,874	43,625	44,388	44,388	44,388
Assistant Operations Manager	35,860	36,487	37,126	37,126	37,126
GIS Analyst	10,814	0	0	0	0
Town Engineer	83,965	85,434	86,929	86,929	86,929
Staff Engineer	16,733	16,364	44,912	47,161	47,161
Department Assistant	36,548	37,976	39,400	41,126	41,126
Administrative Secretary	40,346	41,048	41,867	42,812	42,812
Other Compensation	5,590	3,175	3,275	3,275	3,275
Public Works Salary Reserve	0	0	0	0	9,541
Total Salaries	375,031	368,202	404,452	408,731	418,272
Expense	19,471	21,048	22,382	24,700	24,700
Total Public Works Admin Budget	394,502	389,250	426,834	433,431	442,972
<u>STREETS AND SIDEWALKS</u>					
Senior Foreman	100,880	14,548	60,765	13,880	13,880
HME0	132,060	164,967	169,611	180,101	180,101
SME0	88,642	102,781	84,768	145,508	145,508
Laborer/MEO	6,797	33,094	19,906	20,353	20,353
Working Foreman	0	61,538	35,646	40,747	40,747
Overtime	38,389	27,194	45,039	23,500	23,500
Other Compensation	0	0	0	0	0
Total Salaries	366,768.25	404,122	415,735	424,088	424,088
Expense	363,177	438,489	367,939	400,920	400,920
Capital Outlay	0	28,620	39,761	60,000	60,000
Total Streets & Sidewalks Budget	729,945	871,231	823,435	885,008	885,008
<u>REFUSE AND RECYCLING</u>					
Senior Foremen	12,548	15,936	15,281	13,582	13,582
Working Foreman	0	11,645	11,882	0	0
HME0	51,353	37,737	25,706	42,583	42,583
SME0	0	0	0	12,177	12,177
Overtime	7,170	4,770	8,407	6,000	6,000
Other Compensation	0	0	0	0	0
Total Salaries	71,071	70,088	61,275	74,342	74,342
Contract Services	579,949	554,867	634,086	620,000	620,000
Dumping Fees	546,907	503,774	503,000	566,000	566,000
Other Expenses	22,431	10,368	10,373	28,610	28,610
Total Expense	1,149,288	1,069,008	1,147,459	1,214,610	1,214,610
Total Refuse & Recycling Budget	1,220,358	1,139,097	1,208,734	1,288,952	1,288,952
<u>VEHICLE MAINTENANCE</u>					
Working Foreman	45,448	46,238	47,154	48,509	48,509
Mechanic	43,222	43,638	43,120	45,838	45,838
Overtime	5,354	2,859	4,424	2,500	2,500
Other Compensation	0	0	0	0	0
Total Salaries	94,025	92,736	94,698	96,847	96,847
Expense	158,800	261,353	262,495	311,650	311,650
Total Vehicle Maintenance Budget	252,825	354,089	357,192	408,497	408,497

	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Department Requested	FY16 Adopted
<u>STRUCTURES AND GROUNDS</u>					
Senior Foreman	13,961	14,499	14,928	13,880	13,880
Working Foreman	46,051	28,105	0	0	0
Custodian	33,044	34,311	36,348	37,879	37,879
HMEO	56,829	81,668	115,190	62,969	62,969
SMEO	19,371	22,655	20,393	80,133	80,133
Laborer/MEO	834	4,727	9,355	9,844	9,844
Overtime	6,203	8,454	16,632	9,500	9,500
Other Compensation	<u>43,417</u>	<u>28,463</u>	<u>7,025</u>	<u>10,525</u>	<u>10,525</u>
Total Salaries	219,710	222,882	219,872	224,729	224,729
Expense	<u>310,681</u>	<u>300,048</u>	<u>325,923</u>	<u>357,800</u>	<u>357,800</u>
Total Structures & Grounds Budget	530,391	522,930	545,795	582,529	582,529
<u>SNOW AND ICE REMOVAL</u>					
Overtime	147,981	161,810	222,949	95,000	95,000
Total Salaries	147,981	161,810	222,949	95,000	95,000
Repairs and Maintenance	34,695	26,140	69,425	45,000	45,000
Equipment Rental/Lease	766,967	718,552	1,179,348	475,000	475,000
Vehicle Fuel	83,049	75,615	69,053	70,000	70,000
Gravel and Sand	7,475	21,667	27,698	15,000	15,000
Salt	302,488	319,216	370,715	167,000	167,000
Other Charges and Expense	6,641	9,871	7,421	8,000	8,000
Total Expense	<u>1,201,313</u>	<u>1,171,061</u>	<u>1,723,660</u>	<u>780,000</u>	<u>780,000</u>
Total Snow Removal Budget	1,349,295	1,332,871	1,946,609	875,000	875,000
TOTAL PUBLIC WORKS	4,477,316	4,609,468	5,308,600	4,473,418	4,482,958
<u>HEALTH & HUMAN SERVICES</u>					
<u>HEALTH DEPARTMENT</u>					
Public Health Director	68,131	69,323	70,536	69,323	69,323
Health Inspector	34,956	34,897	35,507	34,897	34,897
Public Nurse	45,849	47,340	45,715	47,429	47,429
Department Assistant	27,360	33,134	35,185	35,162	35,162
Sealer -Weights/Measurers	3,800	3,800	3,800	4,055	4,055
Other Compensation	<u>5,532</u>	<u>7,468</u>	<u>9,177</u>	<u>10,816</u>	<u>10,816</u>
Total Salaries	185,627	195,962	199,920	201,681	201,681
Expense	<u>5,626</u>	<u>5,983</u>	<u>5,609</u>	<u>6,285</u>	<u>6,285</u>
Total Health Budget	191,254	201,945	205,529	207,966	207,966
<u>ELDER SERVICES</u>					
Director	63,032	64,135	65,258	65,258	65,258
Program Manager	27,355	36,901	37,547	37,546	37,546
Outreach Worker	42,745	43,790	44,556	44,556	44,556
Administrative Secretary	38,844	39,527	40,307	41,223	41,223
Van Driver	33,494	34,888	35,882	36,728	36,728
Other Compensation	<u>3,228</u>	<u>3,100</u>	<u>3,100</u>	<u>3,100</u>	<u>3,100</u>
Total Salaries	208,697	222,340	226,649	228,411	228,411
Expense	<u>29,148</u>	<u>29,893</u>	<u>30,591</u>	<u>30,822</u>	<u>30,822</u>
Total Elder Services Budget	237,845	252,233	257,240	259,233	259,233
<u>YOUTH AND RECREATION SERVICES</u>					
Director	78,323	79,694	81,089	81,089	81,089
Support Service Coordinator	38,768	34,982	36,567	36,567	36,567
Admin Support	0	0	37,261	38,141	38,141
Social Prgram Coordinator	36,613	37,254	37,906	37,906	37,906
Program Coordinator	36,613	37,254	37,906	37,906	37,906
Other Compensation	<u>21,638</u>	<u>34,817</u>	<u>31,287</u>	<u>38,175</u>	<u>38,175</u>
Total Salaries	211,954	224,000	262,015	269,784	269,784
Expense	<u>22,123</u>	<u>73,422</u>	<u>79,816</u>	<u>47,986</u>	<u>47,986</u>
Total Youth & Recreation Budget	234,077	297,423	341,832	317,770	317,770

	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Department Requested	FY16 Adopted
<u>VETERANS SERVICES</u>					
Director	48,597	49,448	50,313	50,313	50,313
Assitant Director	0	19,133	41,745	28,864	28,864
Graves Officer	0	0	450	0	0
Other Compensation	<u>825</u>	<u>1,275</u>	<u>1,650</u>	<u>1,650</u>	<u>1,650</u>
Total Salaries	49,422	69,856	94,159	80,827	80,827
Veterans Benefits	260,686	250,428	278,588	325,000	325,000
All Other Expenses	<u>12,435</u>	<u>11,939</u>	<u>16,384</u>	<u>14,930</u>	<u>14,930</u>
Total Expense	<u>273,121</u>	<u>262,367</u>	<u>294,972</u>	<u>339,930</u>	<u>339,930</u>
Total Veterans Budget	322,544	332,222	389,130	420,757	420,757
<u>SALARY RESERVE</u>					
Health and Human Services Salary Reserve	0	0	0	0	14,807
Total Salaries Reserve	0	0	0	0	14,807
TOTAL HEALTH AND HUMAN SERVICES	985,720	1,083,822	1,193,731	1,205,726	1,220,533
<u>CULTURE AND RECREATION</u>					
<u>STEVENS MEMORIAL LIBRARY</u>					
Director	72,430	75,540	89,680	76,385	76,385
Assistant Director	52,530	54,786	27,562	52,904	52,904
Reference Librarian	64,078	70,195	76,602	80,911	80,911
Head of Reference	48,789	49,681	51,168	52,306	52,306
Head of Circulation	48,242	48,845	48,914	44,548	44,548
Head of Youth Services	48,789	50,466	51,461	52,605	52,605
Assistant to Youth Services	25,896	26,979	4,541	18,163	18,163
Library Assistant	28,871	0	64,395	71,690	71,690
Library Assistant - Technology	18,587	0	7,587	19,829	19,829
Adult Library Assistant	23,829	25,070	25,202	25,285	25,285
CR Library Assistant	56,714	95,046	74,648	37,928	37,928
Electronics Resources	0	22,215	23,482	22,988	22,988
Senior Custodian	38,501	39,948	41,466	42,799	42,799
Other Compensation	47,233	47,830	41,465	91,817	91,817
Salary Reserve	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Salaries	574,489	606,601	628,172	690,158	690,158
Expense	<u>272,765</u>	<u>254,826</u>	<u>266,691</u>	<u>284,692</u>	<u>284,692</u>
Total Library Budget	847,254	861,428	894,863	974,850	974,850
TOTAL CULTURE AND RECREATION	847,254	861,428	894,863	974,850	974,850
<u>SUPPORT SERVICES</u>					
<u>AUDITING</u>					
Expense	<u>56,080</u>	<u>57,580</u>	<u>58,580</u>	<u>59,000</u>	<u>55,000</u>
Total Budget	56,080	57,580	58,580	59,000	55,000
<u>PURCHASING</u>					
Purchasing Director	46,702	47,520	48,351	48,351	48,351
Other Compensation	<u>413</u>	<u>413</u>	<u>413</u>	<u>413</u>	<u>413</u>
Total Salaries	47,115	47,932	48,764	48,764	48,764
Expense	<u>1,722</u>	<u>1,187</u>	<u>935</u>	<u>1,500</u>	<u>1,500</u>
Total Purchasing Budget	48,837	49,119	49,699	50,264	50,264
<u>INFORMATION TECHNOLOGY</u>					
IT Director Town	88,862	90,417	86,944	92,000	92,000
Network Engineer	56,020	38,789	37,809	62,000	62,000
IT Director School	40,000	20,211	40,796	40,000	40,000
IT Support (5)	236,741	268,459	274,230	273,130	273,130
Other Compensation	<u>1,212</u>	<u>1,050</u>	<u>1,050</u>	<u>9,625</u>	<u>9,625</u>
Total Salaries	422,836	418,927	440,828	476,755	476,755
Expense	<u>483,858</u>	<u>580,693</u>	<u>819,761</u>	<u>666,145</u>	<u>666,145</u>
Total Information Technology Budget	906,694	999,620	1,260,589	1,142,900	1,142,900

	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Department Requested	FY16 Adopted
<u>FACILITY MANAGER</u>					
Facilities Manager	85,000	86,488	88,001	88,001	88,001
Maintenance Facilities Manager	0	55,958	74,018	74,018	74,018
Other Compensation	0	16,787	0	0	0
Total Salaries	85,000	159,233	162,019	162,019	162,019
Expense	6,436	76,987	133,128	141,000	141,000
Total Facilities Budget	91,436	236,220	295,147	303,019	303,019
<u>SALARY RESERVE</u>					
Support Services Salary Reserve	0	0	0	0	13,178
Total Salaries Reserve	0	0	0	0	13,178
TOTAL SUPPORT SERVICES	1,103,047	1,342,538	1,664,015	1,555,183	1,564,360
<u>SHARED COST - NON DEPARTMENTS</u>					
<u>DEBT SERVICE</u>					
Long Term Principal -Excluded	1,399,856	1,434,856	1,485,000	1,700,000	1,700,000
Long Term Interest - Excluded	440,710	376,115	289,775	236,388	236,388
Long Term Principal - Non Excluded	3,819,474	3,931,890	3,098,967	3,086,240	3,086,240
Long Term Interest - Non Excluded	673,549	579,627	688,132	832,920	832,920
Short Term Interest - Non Excluded	0	1,977	2,970	2,970	2,970
Total Debt Budget	6,333,589	6,324,465	5,564,844	5,858,518	5,858,518
<u>UNCLASSIFIED - SHARED COST</u>					
Workers Comp	248,669	271,426	310,629	351,478	351,478
Unemployment Compensation	55,406	102,434	19,692	100,000	100,000
Payroll Taxes	603,983	630,977	675,868	650,000	650,000
Police and Fire Accident Insurance	100,104	46,933	59,577	123,500	123,500
Total Unclassified - Shared Cost	1,008,161	1,051,770	1,065,766	1,224,978	1,224,978
<u>RETIREMENT</u>					
Retirement Assessment	3,186,990	3,442,269	3,759,115	4,071,413	4,071,413
Total Retirement	3,186,990	3,442,269	3,759,115	4,071,413	4,071,413
<u>HEALTH INSURANCE</u>					
Health Insurance	10,242,904	10,547,403	8,598,806	10,202,420	10,202,420
Total Health Insurance	10,242,904	10,547,403	8,598,806	10,202,420	10,202,420
<u>LIABILITY INSURANCE</u>					
Liability Insurance	290,896	301,405	293,178	444,071	444,071
Total Liability Insurance	290,896	301,405	293,178	444,071	444,071
<u>CAPITAL AND RESERVES</u>					
Transfer to Stabilization	850,000	0	625,000	0	64,412
Transfer to Capital Stabilization	238,000	0	213,000	0	213,000
Transfer to Capital Projects	0	0	223,500	0	0
Transfer to Special Education Stabilization	0	0	0	0	750,000
Salary Reserve (27th Pay)	0	0	0	0	408,348
Deficits (Overlay)	10,394	0	1,608	0	303
Deficits (Snow and Ice)	0	0	0	0	0
Deficits (Revolving Funds, Chpt 90)	29,710	0	0	0	0
Deficits (Stevens Estate)	0	0	0	0	0
Total Capital and Reserves	1,128,103	0	1,063,108	0	1,436,063
TOTAL SHARED - NON DEPARTMENTAL COST	22,190,644	21,667,311	20,344,816	21,801,400	23,237,463

	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Department Requested	FY16 Adopted
<u>EDUCATION</u>					
N A Public School	38,494,272	39,861,688	41,848,445	43,612,479	43,612,479
All Day Kindergarten	0	0	680,000	0	0
Special Education	0	0	175,000	0	0
N A School Building Committee	900	0	0	0	0
Regional Vocational Tech School Assessment	251,748	240,750	297,571	367,798	367,798
Essex County Agricultural Tech Assessment	0	0	80,073	90,000	90,000
Total Education	38,746,920	40,102,438	43,081,089	44,070,277	44,070,277
TOTAL EDUCATION	38,746,920	40,102,438	43,081,089	44,070,277	44,070,277
*TOTAL GENERAL FUND BUDGET	79,629,331	81,127,203	84,281,677	86,574,983	88,338,413

* Excludes Non Appropriated Expenses (i.e. State Assessments & Overlay Provisions)

Total FY16 Town Budget including State Assessments \$460,309 and Overlay Provisions \$550,000 = \$89,348,722

<u>STATE ASSESSMENTS (Cherry Sheet)</u>					
Special Education	7,155	11,769	18,904	12,004	12,004
Mosquito Control	90,159	91,372	91,677	91,677	91,677
Retired Teachers Health Insurance	1,316,435	755,578	0	0	0
Air Pollution Control	8,819	9,251	9,195	9,195	9,195
Regional Transit	184,305	185,776	185,331	185,331	185,331
RMV Non Renewal Surcharge	17,280	18,580	18,580	18,580	18,580
School Choice	14,068	5,000	5,243	5,000	5,000
Charter School Assessment	75,544	140,003	108,016	138,522	138,522
Essex County Agricultural Assessment	74,850	37,659	0	0	0
Total State Assessments	1,788,615	1,254,988	436,946	460,309	460,309
<u>OVERLAY PROVISIONS</u>					
Overlay	629,707	564,134	530,315	550,000	550,000
Total Overlay Provisions	629,707	564,134	530,315	550,000	550,000

	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Department Requested	FY16 Adopted
ENTERPRISE FUNDS					
WATER ENTERPRISE FUND					
Administrative Secretary	34,718	36,034	37,254	39,032	39,032
Asst Operations Manager	35,860	36,487	37,126	37,126	37,126
Asst WTP Superintendent	50,738	51,619	49,638	52,522	52,522
Electrician	0	13,712	14,582	0	0
Foreman	33,873	35,131	35,905	13,880	13,880
Head Meter Reader	37,098	39,853	0	36,382	36,382
HMEO	7,015	3,881	16,794	0	0
Laborer	9,169	20,189	38,017	39,707	39,707
Lab Director	37,335	47,685	39,189	48,520	48,520
Mechanic	0	40,143	44,486	56,921	56,921
Meter Reader	39,048	43,852	86,020	87,968	87,968
O/M Chief	30,415	47,314	48,169	49,810	49,810
Operations Manger	21,437	21,812	22,194	22,194	22,194
Senior Foreman	13,961	14,499	14,928	0	0
Senior Water Analyst	0	0	0	0	0
SMEO	21,683	32,434	32,370	33,120	33,120
Staff Engineer	0	2,377	14,971	15,720	15,720
WTP Operator	185,912	244,252	241,380	286,412	286,412
WTP Superintendent	41,982	64,076	91,051	65,197	65,197
Overtime	34,687	61,155	83,697	51,500	51,500
Other Compensation	<u>7,344</u>	<u>14,296</u>	<u>10,365</u>	<u>4,590</u>	<u>4,590</u>
Total Salaries	642,274	870,803	958,135	940,600	940,600
Expense	1,286,545	1,161,065	1,229,490	1,541,165	1,541,165
Debt Service	2,197,185	1,690,478	1,700,551	1,282,276	1,282,276
Transfer to Capital	11,920	0	600,000	635,000	635,000
Indirect Cost	<u>747,571</u>	<u>878,741</u>	<u>900,710</u>	<u>923,227</u>	<u>923,227</u>
Total Water Enterprise Budget	4,885,495	4,601,087	5,388,886	5,322,268	5,322,268
SEWER ENTERPRISE FUND					
Administrative Secretary	34,718	35,872	37,254	39,032	39,032
Asst Operations Manager	0	0	0	0	0
Asst WTP Superintendent	16,913	17,206	16,546	17,507	17,507
Electrician	0	41,213	43,146	0	0
Foreman	11,578	11,710	12,152	12,127	12,127
HMEO	6,806	11,473	18,404	30,823	30,823
Laborer	0	3,377	9,953	0	0
Mechanic	200,772	119,310	129,177	170,762	170,762
O/M Chief	30,175	15,772	16,056	16,603	16,603
Operations Manger	21,437	21,812	22,194	22,194	22,194
Senior Foreman	13,961	14,451	14,928	13,880	13,880
SMEO	21,683	10,582	10,790	11,040	11,040
WTP Operator	62,151	0	0	0	0
WTP Superintendent	41,982	21,359	30,337	21,732	21,732
Overtime	21,436	25,936	25,006	36,000	36,000
Other Compensation	<u>3,108</u>	<u>17,453</u>	<u>950</u>	<u>14,758</u>	<u>14,758</u>
Total Salaries	497,682	367,527	386,892	406,459	406,459
Expense	266,654	210,240	257,685	322,970	322,970
Debt Service	2,000,201	1,982,954	1,956,938	1,549,848	1,549,848
Sewer Assessment	1,325,429	1,322,544	1,543,296	1,721,200	1,721,200
Transfer to Capital	91,438	0	0	80,000	80,000
Indirect Cost	<u>529,744</u>	<u>413,525</u>	<u>423,863</u>	<u>434,460</u>	<u>434,460</u>
Total Sewer Enterprise Budget	4,711,148	4,296,789	4,568,674	4,514,936	4,514,936
STEVENS ESTATE					
Director	53,926	58,484	62,838	59,000	59,000
Other Compensation	<u>52,945</u>	<u>55,450</u>	<u>70,149</u>	<u>68,801</u>	<u>68,801</u>
Total Salaries	106,870	113,933	132,987	127,801	127,801
Expense	138,244	144,038	171,186	146,069	146,069
Indirect Cost	46,460	46,460	47,622	48,812	48,812
Total Stevens Estate Budget	291,574	304,431	351,794	322,682	322,682
TOTAL ENTERPRISE FUNDS	9,888,217	9,202,306	10,309,354	10,159,886	10,159,886
*TOTAL ALL FUNDS	89,517,548	90,329,509	94,591,031	96,734,869	98,498,299.25

* Excludes Non Appropriated Expenses (i.e. State Assessments
& Overlay Provisions)

FIVE YEAR FINANCIAL FORECAST

Revenues and Expenditure Summary General fund Excluding Free Cash

	FY15-Adopted	FY16-EST	FY17-EST	FY18-EST	FY19-EST	FY20-EST
<u>REVENUES</u>						
Property Taxes	\$ 63,039,283	\$ 65,230,265	\$ 67,476,022	\$ 69,777,922	\$ 72,137,370	\$ 74,555,805
New Growth	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000
Debt Exclusion	\$ 1,705,849	\$ 1,867,461	\$ 1,853,589	\$ 1,842,680	\$ 590,633	\$ 345,549
Total Tax Revenue	\$ 65,345,132	\$ 67,697,726	\$ 69,929,611	\$ 72,220,602	\$ 73,328,003	\$ 75,501,354
Local Receipts	\$ 8,995,995	\$ 9,068,334	\$ 9,295,042	\$ 9,527,418	\$ 9,765,604	\$ 10,009,744
State Aid	\$ 9,749,141	\$ 9,595,512	\$ 9,835,400	\$ 10,081,285	\$ 10,333,317	\$ 10,591,650
Total Operating Revenues	\$ 84,090,268	\$ 86,361,572	\$ 89,060,053	\$ 91,829,305	\$ 93,426,924	\$ 96,102,748
Operating Transfers/Other	\$ 1,576,647	\$ 1,551,390	\$ 1,590,175	\$ 1,629,929	\$ 1,670,677	\$ 1,712,444
Total Revenue	\$ 85,666,915	\$ 87,912,962	\$ 90,650,228	\$ 93,459,235	\$ 95,097,602	\$ 97,815,192
<u>EXPENSES</u>						
General Government	\$ 4,500,227	\$ 4,657,735	\$ 4,820,756	\$ 4,989,482	\$ 5,164,114	\$ 5,344,858
Group Health	\$ 9,846,537	\$ 9,846,537	\$ 10,191,166	\$ 10,955,503	\$ 11,777,166	\$ 12,660,453
Other Personnel Benefits	\$ 4,972,935	\$ 5,370,770	\$ 5,800,431	\$ 6,264,466	\$ 6,765,623	\$ 7,306,873
Other Non-Departmental	\$ 2,149,814	\$ 2,225,057	\$ 2,302,935	\$ 2,395,052	\$ 2,490,854	\$ 2,590,488
Debt Service	\$ 5,876,612	\$ 5,965,789	\$ 6,450,320	\$ 6,709,545	\$ 5,929,514	\$ 5,929,514
Public Works	\$ 4,319,636	\$ 4,470,823	\$ 4,627,302	\$ 4,789,258	\$ 4,956,882	\$ 5,130,373
Schools	\$ 42,312,661	\$ 43,612,479	\$ 45,138,916	\$ 46,718,778	\$ 48,353,935	\$ 50,046,323
Support Services	\$ 1,704,357	\$ 1,772,531	\$ 1,843,433	\$ 1,917,170	\$ 1,993,857	\$ 2,073,611
Public Safety	\$ 9,982,596	\$ 10,331,987	\$ 10,693,606	\$ 11,067,883	\$ 11,455,256	\$ 11,856,193
Total Expenses	\$ 85,665,375	\$ 88,253,708	\$ 91,868,865	\$ 95,807,137	\$ 98,887,201	\$ 102,938,686
Surplus/(Deficit)	\$ 1,540	\$ (340,746)	\$ (1,218,636)	\$ (2,347,902)	\$ (3,789,601)	\$ (5,123,494)

FACILITIES MASTER PLAN PROJECTS

Kittredge School Gym



Kittredge School Gym Site



Kittredge School Gym Complete

School Administration Building



School Administration Site



School Administration Under Construction

FY16
CAPITAL IMPROVEMENT PROGRAM



Town of North Andover

• Office of the

Town Manager

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Andrew W. Maylor
Town Manager

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December 10, 2014

Chairman Vaillancourt and the North Andover Board of Selectmen

Dear Board Members:

Pursuant to Chapter 9, Section 5 of the Town Charter, I hereby submit to you for your consideration the Town Manager's recommended Capital Improvement Plan (CIP) for the General Fund and the Town's Enterprise Funds for FY16 through FY20. The evaluation of CIP requests remains true to the process of the prior years in that each project is rated and scored based upon accepted ranking criteria.

At your strategic planning meeting held this past fall, you reaffirmed our common goal to continue to implement practices which will result in establishing a sustainable municipality and ensure the stewardship of town assets. This Capital Improvement Program is predicated on achieving that goal by requesting funding which helps maintain our infrastructure and increases our ability to efficiently deliver services while controlling debt service as a percentage of operating revenues.

Specifically, this CIP requests funding for annual building maintenance, roadway improvements, the adopted Facilities Master Plan, and information technology enhancements. Consistent annual capital investments in each of these categories will help us address the long list of deferred maintenance projects while being more proactive in the future.

For the foreseeable future, I will continue the practice of maintaining debt service below 5% of operating revenues unless circumstances arise which are unforeseen or if the cost of capital impacts the Town's ability to do so. This calculation does not include either the debt service of the ESCo project or the corresponding reduction in utility costs associated with that initiative. The recommended General Fund CIP for FY16 results in a debt service to revenues percentage of 4.10% which is consistent with FY15 (4.05%) and the lowest in memory. Although this does not represent a trend, the percentage does not exceed 5% for the life of the CIP, even when making extremely conservative assumptions regarding offsetting revenue sources. The target percentage for the Enterprise Funds continues to be between 25%-28% of revenues and this target will be achieved in the Water Enterprise Fund system in FY16 (two years ahead of schedule) and not until FY19 in the Sewer Enterprise Fund system (one year behind last year's projection). It should be noted that debt service as a percentage of revenues in both funds is trending in a downward direction.

Additionally, I will continue the practice begun two years ago to increase “pay-as-you-go” funding of capital projects. Therefore, the CIP assumes that all requests which comply with the criteria to be considered a capital project, but cost less than \$50,000, will be included in the operating budgets of the respective requesting departments. Although, the \$25K minimum standard in our policy for a project to qualify as a CIP item is appropriate, altering the past practice when the budget allows is a sound financial practice.

This CIP retains the enhancements made in previous years by including information on other sources of funding that are used for projects, such as state funded Chapter 90 dollars to be used to improve roadways, the use of Capital Stabilization funds, the repurposing of unused bond proceeds, and the use of retained earnings for various Enterprise Fund projects.

The recommended CIP for FY16-FY20 calls for total funding during the five year period of \$35,344,390 with \$27,495,390 of this total dedicated to General Fund projects, \$6,449,000 for projects in the Water Enterprise Fund and \$1,400,000 for the Sewer Enterprise Fund. Of this amount \$5,266,000 will be funded with outside sources, with the remainder of \$30,078,390 being bonded for periods of time ranging from 5 years to 20 years depending on the type of project or equipment.

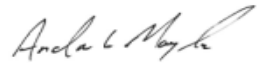
For FY16, General Fund Projects have a total cost of \$6,209,364, \$5,384,364 net of outside sources. The Water Enterprise Fund requests total \$635,000 all of which will be funded by retained earnings and in FY16 and the Sewer Enterprise Fund recommendation is \$875,000 of which \$80,000 will be funded with retained earnings per the Town’s Financial Reserve Policy and the balance through debt. Funding of the approved Facilities Master Plan continues during the next four years. Progress on the first three phases of the plan continues and is on schedule and within the aggregate budget. The funding requested for fiscal 2016 will result in the reconstruction of the central fire station on Main Street into a new home for Community Development. In addition, the cost to design the rehabilitation and expansion of the Public Works facility is also being requested. It should be noted that the recommendation by the School Department to move the additional classrooms contemplated by the plan back one year resulted in an evaluation of the remaining projects which in turn resulted in the decision to move the DPW facility work ahead of the expansion of the Senior Center due to the deteriorating condition of that facility. During this CIP five year period, we will complete this comprehensive plan by constructing new space at town hall, renovating the Public Works facility, expanding classrooms space to address space needs at various schools, and expanding the existing Senior Center.

With more than \$6 million recommended for street and sidewalk improvements and repairs, the continued commitment to this category remains intact for this CIP. The deteriorating condition of the high school track has made it a priority in FY16 with the resurfacing of the two artificial fields at the high school moving back one year to FY18. Other notable projects within the CIP are the ongoing enhancements to technology within the School Department and throughout the town, the upgrade of our public safety reporting system, the continued funding (at a lower cost) of the infrastructure project around the mills on Water and High Streets, and our focus on addressing the significant deferred maintenance in our public buildings.

I have been quoted as saying that “If the decisions we make today do not result in a quality of life for future generations that is at least as good as we have, then we have not achieved our goal of sustainability.” It could be successfully argued that our Five Year Capital Plan, with the Facility

Master Plan contained as a component, is at the epicenter of our sustainability and stewardship initiative. If this is true, then we are truly making progress and I respectfully ask for your continued support. I would like to thank Finance Director/Town Accountant Lyne Savage and Assistant Town Manager Ray Santilli for their invaluable assistance in developing the CIP. Both Lyne and I are available to respond to any questions or requests for information that you may have.

Sincerely,

A handwritten signature in cursive script, appearing to read "Andrew W. Maylor".

Andrew W. Maylor
Town Manager

Capital Improvement Program

Executive Summary

This section is from the Town Manager Recommended Capital Improvement Program submitted in December and which will be presented at the May 19, 2015 Annual Town Meeting.

In compliance with Section 5 of the Town Charter the Town Manager respectfully submits the following five-year Capital Improvement Program (CIP). The Town's annual program "Building for the Future" FY2016-2020 follows the planning framework established in last year's documents and sets forth North Andover's continued commitment to a coordinated multi-year capital asset investment program. The Fiscal Year 2016-2020 CIP is developed in a manner that lends itself to being useful as a budget and planning tool as well as a user friendly document to the reader. The CIP is a multi-year fiscal planning document that identifies long-term improvements to the Town's infrastructure and facilities and provides a program for prioritizing, scheduling and funding. It is comprised of two parts: a capital budget, which is the upcoming fiscal year's plan; and a capital program, which is a window into the capital needs of the community. It should be noted that the CIP is not a static process. The creation of this CIP is based on the best available information at the time of development with some projects requiring additional price and scope information. However, circumstances during the budget year and out-years, do change which may require a change in plan. This plan is a forward looking document designed to inform the community in the broadest possible way of the potential needs and demands they may be facing.

Capital Improvement Program

A capital improvement program is a fiscal planning tool that documents the Town's capital asset needs, ranks the needs in order of project priority, and schedules projects for funding and implementation. The CIP is a dynamic process and one that is likely to change from year to year. The process provides the opportunity to plan for major expenditures in the future while evaluating new and current projects based on up to date data. The CIP is a composite of the Town's capital needs, tempered by current and future financial capability.

What is a capital improvement?

A capital improvement is a major, non-routine expenditure for new construction, major equipment purchase, or improvement to existing buildings, facilities, land or infrastructure, with an estimated useful life of five (5) years or more, and a cost of \$25,000 or more.

Among the items properly classified as capital improvements are:

- ◆ New public buildings, or additions to existing buildings, including land acquisition costs and equipment needed to furnish the new building or addition for the first time;
- ◆ Major alterations, renovations, or improvements to existing buildings which extend the useful life of the existing buildings by five (5) years;
- ◆ Land acquisition and/or improvement, unrelated to a public building, but necessary for conservation or parks and recreation purposes;
- ◆ Major equipment acquisition, replacement or refurbishment, with a cost of at least \$25,000, and a useful life of at least five (5) years, including data processing equipment;
- ◆ New construction or major improvements to the Town's physical infrastructure, including streets, sidewalks, stormwater drains, the water distribution system, and the sanitary sewer system, which extend the useful life of the infrastructure by at least five (5) years, and
- ◆ A feasibility study or engineering design services which are related to a future capital improvement.

What are the benefits of a capital improvement program?

- ◆ Facilitates coordination between capital needs and the operating budgets;
- ◆ Enhances the community's credit rating through improved fiscal planning and avoids sudden changes in its debt service requirements;
- ◆ Identifies the most economical means of financing capital projects;
- ◆ Increases opportunities for obtaining federal and state aid;
- ◆ Relates public facilities to the Town's strategic plan or public and private development and redevelopment policies and plans;
- ◆ Focuses attention on community objectives and fiscal capacity;
- ◆ Keeps the public informed about future needs and projects;
- ◆ Coordinates overlapping units of local government to reduce duplication, and encourages careful project planning and design to avoid costly mistakes and reach goals.

Creating the Capital Improvement Program

The Town developed an administrative process that established policies and procedures for submitting and evaluating projects. This includes:

- ◆ Instructions for identifying and submitting projects;
- ◆ A schedule for the submission of projects, and
- ◆ A method of evaluating and ranking projects.

Process Overview

The following steps guide the capital plan process:

- ◆ The Town Manager sets a schedule for completing the CIP process;
- ◆ The status of previously approved projects are determined;
- ◆ Project requests are solicited and entered into the Town's CIP automated software system;
- ◆ Town Manager reviews and evaluates each project in accordance with ranking methodology;
- ◆ A recommended method of financing is proposed for each project;
- ◆ The Town Manager informs departments as to the approved priority of projects;
- ◆ The Town Manager submits the proposed CIP to the Board of Selectmen and Finance Committee;
- ◆ Finance Committee hold public hearings on the Town Manager's recommendations;
- ◆ Board of Selectmen and Finance Committee adopt CIP program;
- ◆ Town Manager submits annual capital article for Town Meeting authorization.

Capital Program Categories

In an effort to gain consistency in categorizing and evaluating projects this program is divided into the following five "Program Categories".

Land - The acquisition through purchase, long term lease, with or without conditions, of undeveloped real estate. If the acquisition of land is associated with the acquisition of a building or an infrastructure project, the project should be categorized in those respective categories.

Building - The replacement, renovation, addition to, construction or acquisition through purchase or long-term lease of a building structure or a major component thereof.

Infrastructure – This category would include such things as water and sewer pipes, pumping stations, roadwork, sidewalks, traffic signals, drainage systems and other improvements of a lasting nature but not related to building structures.

Equipment (Rolling) – All equipment that meets the definition of a capital project item that is capable of self-propulsion from one location to another.

Equipment (Non-rolling) – All other equipment that meets the definition of a capital project item. The item may be transportable, however, if it is capable of moving under its own power it should be classified under “Equipment (rolling)”. If the item is a piece of equipment that is intended to be permanently installed in a building such as an air conditioner or a furnace, that item should be classified under “Building”.

Capital Program Priorities

Given the current budgetary environment that limits the amount of funds available each year for capital projects, it is necessary to prioritize the capital requests so as to stay within the Town’s financial capabilities. To this end the Town will follow the same system utilized in last year’s program that seeks to numerically rate projects based on six weighted criteria including overall fiscal impact, legal mandates, advancement of the Town master plan, impact on service to the public, urgency of maintenance needs, whether prior phases have been funded and division priority. Generally, the project receiving the highest number of points is funded first, then the project with the next highest score is funded next, and so on until the pool of available funds is depleted for that particular fiscal year with departures from this method allowed for multi-year projects and/or large building projects. This disparity is necessary because large building projects often times receive high priority but if they were to be funded in one year the resulting debt service would exceed prudent debt limits. Therefore these types of projects are distributed throughout the five year plan and certain large-scale projects may require a proposition 2 ½ exemption vote in an attempt to avoid overwhelming the tax levy limit. The process is then repeated in subsequent years.

In addition, a capital budget plan is a fluid document subject to change each year as priorities change and additional information is becomes available. As a result, a project, which had a priority score in a previous edition of the capital plan, may have a different score in subsequent year updates. After the first year of the capital plan, the information provided in the subsequent years is not so much to provide as a formal “pecking order”, but instead to identify trends far enough in advance to address problems in a rational and timely manner.

Capital Program Fund Impacts

One of the most difficult challenges facing the Town today is to establish an investment in its capital assets while successfully managing the financial impact on both the General and Enterprise Fund budgets. In light of the importance of creating this planned program of infrastructure repair and replacement, the Town is committed to maintaining an annual Capital Budget, with the goal of reversing the effects of years of deferred maintenance.

In keeping with the adopted financial policies that recommend a limit of net debt service to between 3-5% of the Town's net revenues. Net debt and net revenue represents the total debt service/revenue less amounts authorized as excluded from proposition 2 ½ and School Building Assistance.

While these levels are subject to change given the nature of the CIP process, the FY2016-2020 CIP includes general fund project requests totaling approximately \$27.4 million over the five years of which \$6.2 million will be authorized in Fiscal Year 2016. Enterprise Funds CIP request totaled approximately \$7.8 million over five years of which \$1.5 million will be authorized in Fiscal Year 2016. The financial impact of the CIP on the General and Enterprise Funds debt service are discussed below.

Debt Service Impact on the General Fund

In an effort to balance the cost of debt service throughout the program, projects regardless of departmental ranking are placed in outlying years. Also consistent with this methodology some "major" projects were placed in outlying years regardless of manager and departmental ranking and certain large scale projects may require a proposition 2½ exemption vote in an attempt to avoid overwhelming the tax levy limit.

The table below outlines the projected costs of General Fund Debt Service resulting from this CIP and the funding plan adherences to the Town debt policy.

Information provided on the following chart are projected revenues used to prepare the FY16-FY20 Capital Improvement Plan.

Revenue Summary	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016
Property Taxes (Net of Debt Exclusions)	58,848,875	60,854,551	62,564,594	65,830,264
Debt Exclusions	1,771,640	1,742,045	1,705,849	1,867,462
Tax Title	174,857	608,698	348,217	0
Local Receipts	9,447,577	10,197,117	10,115,434	9,068,334
State Aid (Cherry Sheet)	9,076,332	9,435,925	9,624,631	9,595,512
State Aid (MSBA)	412,131	412,131	412,131	0
Interfund Operating Transfers	1,526,297	1,543,374	1,576,648	1,551,391
Reserves and One Time Revenues	473,063	396,868	493,748	0
Free Cash	1,117,710	0	838,000	0
Total All Revenue	82,848,482	85,190,708	87,679,252	87,912,962
General Fund Obligation Debt Service	6,333,589	6,322,487	5,561,874	5,059,906
P/Y Authorized CIP Unissued	0	0	0	795,643
Less GLSD Credit for Police Station Debt	-138,322	-141,780	-143,103	-146,681
Less School Comm. Programs to Pre-School Debt	-64,200	-62,700	-61,350	0
Less Esco Project Debt Service	0	0	-203,511	-246,757
Subtotal	6,131,067	6,118,007	5,153,910	5,462,111
Additional BAN (HS) net of premiums (Int)	0	0	0	0
New Excluded CIP	0	0	0	0
New Non- Excluded CIP	0	0	0	0
Total Debt Service	6,131,067	6,118,007	5,153,910	5,462,111
Less:				
Debt Exclusions (Existing and Proposed)	1,840,566	1,810,971	1,774,775	1,936,388
-Excluded SBA Reimbursement	0	0	0	0
- Debt Exclusion Adjustment	0	0	0	0
- SBA State Reimb - interest on H/S	-68,926	-68,926	-68,926	-68,926
- Bond Premium				
Net Exclusions	1,771,640	1,742,045	1,705,849	1,867,462
Total Debt Service	6,131,067	6,118,007	5,153,910	5,462,111
Less: Debt Exclusions	-1,840,566	-1,810,971	-1,774,775	-1,936,388
Net Debt Service (Non Excluded Debt)-less credits glsd & Sch	4,290,500	4,307,037	3,379,135	3,525,723
Increase of Net Debt Service over PY	353,967	16,536	-927,902	146,589
Estimated Total Revenue	82,848,482	85,190,708	87,679,252	87,912,962
Less:				
Reserves and One Time Revenues	-473,063	-396,868	-493,748	0
Debt Exclusions	-1,840,566	-1,810,971	-1,774,775	-1,936,388
Free Cash	-1,117,710	0	-838,000	0
Non-excluded SBA	-412,131	-412,131	-412,131	0
Net Revenue	79,005,012	82,570,739	84,160,598	85,976,575
Net Debt Ratio	5.43%	5.22%	4.02%	4.10%

TOWN OF NORTH ANDOVER
CAPITAL IMPROVEMENT PROGRAM
SUMMARY OF FY16 ADOPTED CAPITAL IMPROVEMENT PROJECTS

Purpose	FY16 Department Request	FY16 Adopted	Funding Sources	Other Funding Sources
Public Works				
Roadway Improvements	1,230,000	1,230,000	Bond	Chapter 90
Sidewalk Reconstruction	75,000	75,000	Bond	Special Revenue Funding
	1,305,000	1,305,000		
Facilities				
Building Maintenance	150,000	150,000	Bond	
	150,000	150,000		
Town Manager / Selectmen				
Facilities Master Plan Implementation	4,399,483	4,399,483	Bond	
	4,399,483	4,399,483		
Information Technology				
Municipal IT/GIS	50,000	50,000	Bond	
School IT	104,881	104,881	Bond	
	154,881	154,881		
Education				
High School Track Resurfacing	200,000	200,000	R/A	General Fund
	200,000	200,000		
Total General Fund Capital Projects	6,209,364	6,209,364		
Water				
Ozone System, Clearwell Baffles & Detention Tank Upgrade	70,000	70,000	R/A	Water Fund
Demolition of Pump Station	250,000	250,000	R/A	Water Fund
Corrosion Study and Repairs of Water Pipes	95,000	95,000	R/A	Water Fund
Chemical Storage Tank and Feed System Improvements	70,000	70,000	R/A	Water Fund
Process Control Computer Upgrade	150,000	150,000	R/A	Water Fund
Subtotal Water	635,000	635,000		
Sewer				
Improvements to various Pump Stations	750,000	750,000	Bond	
Commonwealth Ave Sewer Replacement	125,000	125,000	Bond/RA	Sewer Fund
Subtotal Sewer	875,000	875,000		
Total Enterprise Fund Capital Projects	1,510,000	1,510,000		
Total All Capital Projects	7,719,364	7,719,364		
Less Chapter 90 Funding	(\$825,000)	(\$825,000)		
Total Projected Bond Issue	6,894,364	6,894,364		

GENERAL FUND CAPITAL PROJECTS - FIVE YEAR SUMMARY

Project Name	Division	Borrowing Years	Year 1 FY16	Year 2 FY17	Year 3 FY18	Year 4 FY19	Year 5 FY20	Total
Roadways Improvements FY16-FY20	Public Works	5	\$1,230,000	\$1,230,000	\$1,210,000	\$1,230,000	\$1,160,000	\$6,060,000
Sidewalk Reconstruction FY16-FY20	Public Works	10	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$375,000
Municipal IT (FY16-FY20)	Information Tech	5	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
Building Maintenance (FY16 - FY20)	Facilities	5	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000
Facilities Master Plan Implementation (FY16-FY19)	Town Mgr	20	\$4,399,483	\$4,301,220	\$1,917,100	\$3,888,900	\$0	\$14,506,703
High School Track Resurfacing	School	10	\$200,000					\$200,000
School IT (FY16-FY20)	School	5	\$104,881	\$100,000	\$100,000	\$100,000	\$200,000	\$604,881
Integrated Public Safety Reporting System	Fire/Police	5		\$214,481				\$214,481
Ambulance	Fire	10		\$275,000				\$275,000
Life Safety Equipment Replacement	Fire	5		\$60,000		\$60,000		\$120,000
Sweeper	Public Works	5		\$185,000				\$185,000
Water & High St. Intersection and Streetscape	Public Works	10		\$325,000	\$500,000			\$825,000
6 Wheel Dump Truck	Public Works	5		\$180,000		\$200,000		\$380,000
Voting Equipment	Town Clerk	5			\$62,800			\$62,800
Sport Turf Field Surface Replacement	School	10			\$850,000			\$850,000
Amkus Tools	Fire	5				\$118,000		\$118,000
Medium Size Dump Truck	Public Works	5				\$75,000	\$75,000	\$150,000
Backhoe	Public Works	5				\$95,000		\$95,000
Atkinson Elementary Roof	School	10				\$464,500		\$464,500
Replace Engine # 1	Fire	10					\$680,000	\$680,000
Forestry Vehicle	Fire	5					\$158,000	\$158,000
Mini Bus 13 passenger	Comm Services	5					\$45,616	\$45,616
Medical Transport Vehicle	Comm Services	5					\$25,409	\$25,409
Facilities Mater Plan Phase II	Town Mgr	20					\$100,000	\$100,000
TOTAL GENERAL FUND			\$6,209,364	\$7,145,701	\$4,914,900	\$6,506,400	\$2,719,025	\$27,495,390

ENTERPRISE FUNDS CAPITAL PROJECTS - FIVE YEAR SUMMARY

Project Name	Division	Borrowing Years	Year 1 FY16	Year 2 FY17	Year 3 FY18	Year 4 FY19	Year 5 FY20	Total
<u>WATER ENTERPRISE FUND</u>								
Ozone System, Clearwell Baffles & Detention Tank Upgrade	Water	R/A	70,000	380,000	420,000	800,000	640,000	\$2,310,000
Demolition of Pumping Stations	Water	R/A	250,000	0	0		0	\$250,000
Corrosion Study and Repairs of Water Pipes	Water	R/A	95,000					\$95,000
Chemical Storage Tank and Feed System Improv.	Water	R/A	70,000	125,000	125,000	200,000	250,000	\$770,000
Backwash Tank Extension	Water			165,000	165,000	500,000	528,000	\$1,358,000
Interconnections	Water			100,000	100,000			\$200,000
Process Control Computer - update	Water	R/A	150,000					\$150,000
Valve and Hydrant Replacement	Water				100,000		100,000	\$200,000
Replacement of Vehicle # 54	Water				78,000			\$78,000
Water Main Replacement	Water					500,000		\$500,000
Water Distribution Truck	Water					78,000		\$78,000
Lab Renovations	Water					50,000	50,000	\$100,000
New Sludge Collection System	Water					180,000	180,000	\$360,000
TOTAL WATER			\$635,000	\$770,000	\$988,000	\$2,308,000	\$1,748,000	\$6,449,000

SEWER ENTERPRISE FUND

Improvements to various Pump Stations	Sewer	10	\$750,000	\$50,000	\$50,000	\$50,000	\$50,000	\$950,000
Commonwealth Ave Sewer Replacement	Sewer	10	\$125,000	\$25,000	\$0	\$0	\$0	\$150,000
Osgood Street Sewer Preliminary Design	Sewer	R/A & 10	\$0	\$0	\$300,000	\$0	\$0	\$300,000
TOTAL SEWER			\$875,000	\$75,000	\$350,000	\$50,000	\$50,000	\$1,400,000

**TOWN OF NORTH ANDOVER
PROJECT REQUEST RATING SHEET
DESCRIPTION OF RATING CRITERIA AND SCALES**

CRITERIA A-OVERALL FISCAL IMPACT

Weight 4

Rationale: Limited resources for competing projects require that each project's full impact on the Town's budget be considered in rating and evaluating projects. Projects that are self-funded or have a large proportion of external funding will receive higher ratings than those that do not.

Considerations: Ratings for this factor will consider these major points:

- A. Capital cost of the project relative to all other project requests.
- B. Impact of project on Town operating costs and personnel levels.
- C. Whether project requires Town appropriations or is funded from agency, grant funds, matching funds, or generated revenue.
- D. Impact on Town tax revenue or fee revenue.
- E. Will external funding be lost should project be delayed?

Illustrative Ratings:

5-Project requires less than 10% Town funding.

4-Project requires less than 50% Town funding.

3-Project requires more than 50% Town funding, decreases operating costs and increases Town revenues.

2-Project requires more than 50% Town funding, increases operating costs and increases Town revenues.

1-Project requires more than 50% Town funding, decreases operating costs and decreases Town revenues.

0-Project requires more than 50% Town funding, increases operating costs and decreases Town revenues.

CRITERIA B-LEGAL OBLIGATIONS AND COMPLIANCE WITH MASTER PLAN

Weight: 4

Rationale: Some projects are virtually unavoidable due to court orders, federal mandates, or state laws that require their completion. In addition, projects that advance the stated goals of the Town's Master Plan should receive higher consideration than those that don't. This criterion evaluates both the severity of the mandate and the degree of adherence to the Town's Master Plan.

Considerations: Ratings for this factor will consider these major points:

- A. Whether an agency is under direct court order to complete this project.
- B. Whether the project is needed to meet requirements of federal or state legislation.

C. Whether the project advances one or more of the goals of the Town Master Plan.

Illustrative Ratings:

5-Agency currently under court order to take action.

4-Project is necessary to meet existing state and federal requirements.

3-Project advances more than one of the goals of the Town's Master Plan.

2-Project advances one of the goals of the Town's Master Plan.

1-Legislation under discussion could require project in future.

0-No legal or Master Plan impact or requirements.

-1-Project requires change in state law to proceed.

-2-Project requires change in federal law to proceed.

CRITERIA C-IMPACT ON SERVICE TO THE PUBLIC

Weight: 3

Rationale: Consideration will be given to capital projects that address health, safety, accreditation or maintenance issues as well as improved service of an agency. Service is broadly defined, as the Town's objective to meet the health, safety or accreditation needs of the population and/or improved operations of an existing department.

Considerations: Ratings for this factor will consider these major points:

A. Whether the service is already being provided by existing agencies.

B. Whether the project has immediate impact on service, health, safety, accreditation or maintenance needs.

C. Whether the project focuses on a service that is currently a "high priority" public need.

Illustrative Ratings:

5-Service addresses an immediate public health, safety, accreditation, or maintenance need.

4-Service is improved and addresses a public health, safety, accreditation, or maintenance need.

3-Service is greatly improved.

2-Service is improved.

1-Service is minimally improved and addresses a public health, safety, accreditation, or maintenance need.

0-Service is minimally improved.

CRITERIA D-URGENCY OF MAINTENANCE NEEDS

Weight: 3

Rationale: The Town's most immediate goal in both capital and operating finance is to maintain current services expected by citizens, businesses, and visitors. Capital projects that are essential to maintain service,

protect investment, or restore service that has been interrupted due to failure of capital assets will receive the highest rating in this criterion.

Considerations: Ratings for this factor will consider these major points:

- A. Whether service is currently interrupted.
- B. Whether the project as requested will result in full restoration of service.
- C. Whether the project is the most cost-effective method of providing or maintaining service.
- D. Where service is not currently interrupted, the likelihood that it will be in the next five years if the project is not funded.
- E. Whether costs of the project will increase (beyond inflation) if the project is delayed.
- F. Whether the agency has prepared a comprehensive maintenance/rehabilitation/replacement schedule and the project is due under that schedule.

Illustrative Ratings:

- 5-Service is currently interrupted and the project will restore service in the most cost-effective manner possible.
- 4-Service is likely to be disrupted in the five-year horizon if project is not funded.
- 3-Project is necessary to maintain orderly schedule for maintenance and replacement.
- 2-Cost of Project will increase in future (beyond inflation) if it is delayed at this time.
- 1-Minor risk that cost will rise or service will be interrupted if project is not funded.
- 0-There is no financial or service risk of delaying or not funding the project (e.g., the project is new and has no impact on current service).

CRITERIA E – PRIOR PHASES

Weight: 2

Rationale: Some projects need to be developed in phases due to their complexity of size. In such cases, the need has already been established by prior commitment of funds to existing projects. Therefore, continuation of the project will be given higher consideration:

Considerations: Ratings for this factor will consider these major points:

- A. Whether the project has received prior funds.
- B. Whether the project requires additional funding to be operational.

Illustrative Ratings:

- 5-All but the final phase has been fully funded.
- 4-Multiple phases have been fully funded.
- 3-Multiple phases have been partially funded.
- 2-First phases has been fully funded.

1-First phase has been partially funded.

0-No prior phases have been funded or partially funded.

CRITERIA F – DEPARTMENTAL PRIORITY

Weight: 2

Rationale: Divisions are expected to provide an indication of which projects are most important to their mission.

Considerations: Ratings for this factor will consider these major points:

- A. Departmental ranking of each individual project.
- B. The total number of project requests that are tuned in by entities.

Illustrative Ratings:

5-Top 20% of highest departmentally ranked project requests.

4-20% of next highest departmentally ranked project requests.

3-20% of next highest departmentally ranked project requests.

2-20% of next highest departmentally ranked project requests.

1-Bottom 20% of all project requests.

**CAPITAL IMPROVEMENT PROGRAM
FY 16 PROJECT DETAILS**



CAPITAL COMMITMENT TRACKING SYSTEM

Division: Public Works	Priority: 1
Department: DPW Street & Sidewalks	Type: Improvement
Project: Roadway Improvements FY 16 - FY 20	Cost Basis: Arct/Eng
Project Category: Infrastructure	Asset Class: Select One
Project Type: Roadways/Sidewalks	

FY2016	FY2017	FY2018	FY2019	FY2020	Total
\$1,230,000.00	\$1,230,000.00	\$1,210,000.00	\$1,230,000.00	\$1,160,000.00	\$6,060,000.00

Funding Source	Funding Amount	Submitted by: Bruce Thibodeau
State Grant	\$3,875,000.00	Title: Director of Public Works
General Fund	\$2,185,000.00	Date: 10/27/2014
Total	\$6,060,000.00	

Description

The request is for roadway improvements on various streets to upgrade the conditions of the Town's infrastructure. The funds included are the both the state Chapter 90 monies and the local fund request that DPW uses to supplement the annual Chapter 90 funds from the State. The work will consist of crack sealing, milling existing paving and repaving, or reclaiming depending on the specific needs determined by the Pavement Management Study/Plan. Also, projects may require grading, drainage improvements, repair of curbing and sidewalks where road construction improvements are being done. Attached is a spreadsheet identifying specific streets, repair method for both the projects identified for Chapter 90 funds and Local funds being requested under this CIP request for the next five years. The Pavement Management Study/Plan investigated all roads in Town, rated condition of roads, identified repair methods, and costs. The Plan allows staff to develop projects, repair methods, and costs as well as ability update plan going forward as projects are done.

Justification

Currently the Town receives approximately \$600,000 to \$800,000 annually from Chapter 90 funds, which is consistent with similar municipalities in size and number of road miles. Chapter 90 is the only regular source that a town has for funding roadway improvements if local funds are not appropriated. If the Town relies only on Chap. 90 it can never fund all the improvements needed to prevent the roadway system deteriorating to a point where it will cost increasing amounts to improve. Each dollar spent now on good, fair or poor roads can prevent spending eight to ten dollars later if delayed. The goal here is to supplement the Chap. 90 funding now on local roads (side streets) where Chap. 90 money is used for collectors and major arteries (Salem St. or Mass. Ave.) otherwise we could never get to these roads.

Description of item to be replaced

Improvements to existing roadways.

Schedule for completion of project

The schedule to complete the work will be accomplished in the fiscal year that the funds are appropriated barring any unforeseen issues or weather conditions. Contracts for utility work, milling, reclaiming, paving, and stripping are bid every three years during the winter months. Therefore, there will be no need for preparation of specifications or waiting for bids to be received. Once the funds are appropriated companies under contract will prepare estimates based on bid prices in the three year contracts, purchase orders will be issued and the work scheduled. Some work will be completed in the summer/fall construction season (July to November) and completion of projects will be done in the spring season (April to June). Similar types of work, such as roads for milling and overlay, will be bundled together to reduce costs.

Estimated value of replaced item: \$1.00

NET Estimated Annual Impact: \$10,000.00

Explanation

In addition to upgrading the infrastructure, improvements will reduce the amount of time and effort repairing deteriorating roads. Currently a 3 person crew spends five days a week from April to June repairing pavement. Costs for this repair work range from \$10,000 to \$20,000 annually for patching asphalt, which is the least efficient method of repairing roads. We receive between 15 to 20 claims per year for damage due to potholes. It is estimated that with an effective pavement management program we can reduce this patching costs to \$5,000 to \$10,000 annually and claims to fewer than 5.



CAPITAL COMMITMENT TRACKING SYSTEM

Division: Public Works
Department: DPW Street & Sidewalks
Project: Sidewalk Reconstruction FY 16 - FY 20
Project Category: Infrastructure
Project Type: Roadways/Sidewalks

Priority: 2
Type: Improvement
Cost Basis: Other
Asset Class: Select One

FY2016	FY2017	FY2018	FY2019	FY2020	Total
\$75,000.00	\$75,000.00	\$75,000.00	\$75,000.00	\$75,000.00	\$375,000.00

Funding Source	Funding Amount	Submitted by:
General Fund	\$325,000.00	Bruce Thibodeau
Other	\$50,000.00	Title: Director of Public Works
Total	\$375,000.00	Date: 10/27/2014

Description

Reconstruct existing sidewalks in the older sections of Town with priority given to school areas and elderly housing areas. Attached is a list of priorities and costs based on the current sidewalk contractor pricing. Some funds will come from the Sidewalk Construction Special Revenue Fund, which is mitigation money provided by developers. The remainder is being requested from general fund CIP.

Justification

There are many locations where sidewalks have deteriorated because of age, frost heaving and encroachment of roots from trees planted adjacent to sidewalks. The program would eliminate the walking hazards of the uneven sidewalks. Costs are based on the current sidewalk construction contract.

Description of item to be replaced

Existing Town infrastructure see above.

Schedule for completion of project

All work will be done in the fiscal year of appropriation depending on weather conditions. Since three year construction contracts are existing no specifications or bidding is required. Once funds are available then estimates will be received from contractor, purchase orders prepared and work scheduled. Some sidewalk work will be done in the summer/fall construction schedule and other in the spring depending on impacts to school seasons or weather conditions.

Estimated value of replaced item: \$0.00

NET Estimated Annual Impact: \$5,000.00

Explanation

Will reduce patching operations, improve public safety, and reduce claims.



CAPITAL COMMITMENT

TRACKING SYSTEM

Division: Information Technology	Priority: 1
Department: IT - Municipal	Type: Replacement
Project: Municipal IT (FY16 - 20)	Cost Basis: Other
Project Category: Equip (non-Rolling)	Asset Class: Select One
Project Type: Vehicle/Equipment (including "General IT")	

FY2016	FY2017	FY2018	FY2019	FY2020	Total
\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$250,000.00

Funding Source	Funding Amount	Submitted by: Matthew Killen
General Fund	\$50,000.00	Title: Director, IT
Total	\$50,000.00	Date: 10/20/2014

Description	Justification
Continuing (from FY15), routine infrastructure and system replacements.	To support the recurring capital needs of technology and permit on-going implementation of GIS, substantially enhancing data-driven decisions.

Description of item to be replaced	Schedule for completion of project
Infrastructure communications equipment (switches, routers, etc..), servers and related technology systems.	
Estimated value of replaced item: \$0.00	

NET Estimated Annual Impact: \$0.00
Explanation



CAPITAL COMMITMENT

TRACKING SYSTEM

Division: Facilities	Priority: 1
Department: Facilities - Municipal	Type: Improvement
Project: Building Maintenance (FY16-FY20)	Cost Basis: Other
Project Category: Building	Asset Class: Class 1
Project Type: Building Maintainance	

FY2016	FY2017	FY2018	FY2019	FY2020	Total
\$150,000.00	\$150,000.00	\$150,000.00	\$150,000.00	\$150,000.00	\$750,000.00

Funding Source	Funding Amount	Submitted by: Steve Foster
General Fund	\$150,000.00	Title: facilities director
Total	\$150,000.00	Date: 10/29/2014

Description	Justification
building facilities capital improvements	maintain energy efficiency and compliance with ESCO
reference attachment	ensure weather-tight building envelope
	replace end-of-service-life equipment, systems, building components
	reference attachment

Description of item to be replaced	Schedule for completion of project
	FY 2016
Estimated value of replaced item:	\$0.00

NET Estimated Annual Impact: \$0.00
Explanation



CAPITAL COMMITMENT TRACKING SYSTEM

Division: Administration	Priority: 1
Department: Selectmen/Manager	Type: New
Project: Facility Master Plan Implementation (FY16-19)	Cost Basis: Arct/Eng
Project Category: Building	Asset Class: Select One
Project Type: Design/Construction (buildings, open space, athletic fields, water, sewer, drain, DWTP)	

FY2016	FY2017	FY2018	FY2019	FY2020	Total
\$4,399,483.00	\$4,301,220.00	\$1,917,100.00	\$3,888,900.00	\$0.00	\$14,506,703.00

Funding Source	Funding Amount	Submitted by: Andrew Maylor
General Fund	\$4,399,483.00	Title: Town Manager
Total	\$4,399,483.00	Date: 10/27/2014

Description	Justification
FY16 \$3,939,903 Renovation of former Fire Station 1 into offices for Community Development Division \$ 459,580 OPM and Architect services for improvements to Public Works garage site and offices	Facility Master Plan previously approved and adopted
FY17 \$4,136,220 Construction costs for improvements to Public Works garage site and offices \$ 165,000 Architect services for renovation/expansion of school classrooms	
FY18 \$1,485,000 Construction costs for renovation/expansion of school classrooms \$ 432,100 OPM and Architect services for expansion of Senior Center	
FY19 \$3,888,900 Construction costs for expansion of Senior Center	

Description of item to be replaced	Schedule for completion of project
Estimated value of replaced item: \$0.00	

NET Estimated Annual Impact: \$0.00
Explanation



CAPITAL COMMITMENT TRACKING SYSTEM

Division: Education	Priority: 1
Department: School Department	Type: Replacement
Project: High School Track Resurfacing	Cost Basis: Vendor Quote
Project Category: Infrastructure	Asset Class: Select One
Project Type: Design/Construction (buildings, open space, athletic fields, water, sewer, drain, DWTP)	

FY2016	FY2017	FY2018	FY2019	FY2020	Total
\$200,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$200,000.00

Funding Source	Funding Amount	Submitted by: Jim Mealey
Select One	\$200,000.00	Title: Assistant Superintendent for Finance and Operations
Total	\$200,000.00	Date: 10/24/2014

Description	Justification
Recoat surface of high school track at North side of school.	Track was built in 2004 with a life expectancy of the surface of 5-7 years. Has now been 9 years. Requires application of two coats to restore track surface.

Description of item to be replaced	Schedule for completion of project
Top surface of high school track. Estimated to last for 8 years before another resurfacing would need to be done. Estimated to be 16 years before a complete renovation is needed.	Engineering and Bid Specs in early Summer of 2015. Bid construction in mid-Summer 2015. Construction in late-Summer, early-Fall 2015.
Estimated value of replaced item: \$0.00	

NET Estimated Annual Impact: \$0.00
Explanation



CAPITAL COMMITMENT

TRACKING SYSTEM

Division: Information Technology	Priority: 2
Department: IT - Schools	Type: Replacement
Project: Annual IT Infrastructure Maintenance	Cost Basis: Other
Project Category: Infrastructure	Asset Class: Select One
Project Type: Building Maintainance	

FY2016	FY2017	FY2018	FY2019	FY2020	Total
\$104,881.00	\$100,000.00	\$100,000.00	\$100,000.00	\$200,000.00	\$604,881.00

Funding Source	Funding Amount	Submitted by: Jim Mealey
General Fund	\$604,881.00	Title: Assistant Superintendent for Finance and Operations
Total	\$604,881.00	Date: 10/24/2014

Description	Justification
Annual funding to maintain IT wireless network, server and data integration, and internet capacity at all schools and central office.	Total value of IT infrastructure asset is about \$1,000,000. At \$100,000 per year this is a lifecycle replacement time frame of 10 years. 5 years is more realistic, so the annual amount is increased to \$200,000 starting in FY20.

Description of item to be replaced	Schedule for completion of project
All of the equipment that provides IT wireless network, server and data integration, and internet capacity at all schools and central office.	Annual
Estimated value of replaced item:	\$0.00

NET Estimated Annual Impact:	\$0.00
Explanation	



CAPITAL COMMITMENT TRACKING SYSTEM

Division: Public Works	Priority: 1
Department: Water	Type: Improvement
Project: Ozone System, Clearwell Baffles, & Detention Tank Upgrades - update	Cost Basis: Arct/Eng
Project Category: Building	Asset Class: Select One
Project Type: Design/Construction (buildings, open space, athletic fields, water, sewer, drain, DWTP)	

FY2016	FY2017	FY2018	FY2019	FY2020	Total
\$70,000.00	\$380,000.00	\$420,000.00	\$800,000.00	\$640,000.00	\$2,310,000.00

Funding Source	Funding Amount	Submitted by: Linda Hmurciak
Water Fund	\$2,310,000.00	Title: Super. WTP
Total	\$2,310,000.00	Date: 11/28/2014

Description	Justification
The ozone system will be totally upgraded to the latest technology, the ozone tank would be enlarged to increase detention time, and the baffles in the clearwell will increase chlorine contact time. All these improvements will increase our ability to guarantee a safe drinking water from microbial organisms.	Baffling the clearwell would improve the mixing of all chemicals especially the final disinfectant, chlorine. By enlarging the size of the ozone tank's capacity would increase the detention time for a better removal of microorganisms. Upgrading the ozone system would mean a more "greener" system which will decrease the plant's use of electricity. By doing these projects, we will also be able to increase our water production output for future needs as the DEP currently restricts our flows based on limits with contact times and ozone production. The plant is rated for 12 MGD but is limited to 10.4 MGD by the DEP because of our short disinfectant contact times.

Description of item to be replaced	Schedule for completion of project
Older technology ozone system from the 1990's.	Seeing that this project will take several years to complete, the anticipated projected date would be at the end of FY 20. May need to request additional funds in FY 20 to complete the upgrades.
Estimated value of replaced item: \$0.00	

NET Estimated Annual Impact: \$10,000.00
Explanation
Decrease in energy consumption.



CAPITAL COMMITMENT TRACKING SYSTEM

Division: Public Works	Priority: 2
Department: Water	Type: Improvement
Project: Demolition of Pumping Stations	Cost Basis: Arct/Eng
Project Category: Building	Asset Class: Select One
Project Type: Design/Construction (buildings, open space, athletic fields, water, sewer, drain, DWTP)	

FY2016	FY2017	FY2018	FY2019	FY2020	Total
\$250,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$250,000.00

Funding Source	Funding Amount	Submitted by: Linda Hmurciak
Water Fund	\$250,000.00	Title: Superintendent WTP
Total	\$250,000.00	Date: 11/27/2014

Description	Justification
Demolish the North Pumping Station and the Peters Street Interconnection.	The station no longer function as a location for pumping water since the construction of the Drinking Water Treatment Facility. It has become a liability for the Town and is classified as inactive by the DEP. The machinery in the Peters Street Station is obsolete and not cost effective to replace.

Description of item to be replaced	Schedule for completion of project
These buildings will not be replaced but a portable booster pump will be utilized if needed for the interconnection.	Once approved will go out to bid for demolition and have the project finalized by the end of that FY.
Estimated value of replaced item: \$0.00	

NET Estimated Annual Impact: \$0.00
Explanation



CAPITAL COMMITMENT TRACKING SYSTEM

Division: Public Works	Priority: 3
Department: Water	Type: Improvement
Project: Corrosion Study and Repairs of Water Pipes	Cost Basis: Arct/Eng
Project Category: Infrastructure	Asset Class: Select One
Project Type: Building Maintainance	

FY2016	FY2017	FY2018	FY2019	FY2020	Total
\$95,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$95,000.00

Funding Source	Funding Amount	Submitted by: Linda Hmurciak
Water Fund	\$95,000.00	Title: Superintendent
Total	\$95,000.00	Date: 11/27/2014

Description	Justification
Conduct a study of the water pipes throughout the treatment plant to locate any points of weakness/thinness, and repair and paint where needed.	During past years project of refurbishing the pumps and motors it was discovered that certain pipes were showing thinness in certain areas. This could be from chemical exposure, dissimilar metals or electrolysis. Thus, until a study is done we do not know what would be the correct procedure or location for these repairs.

Description of item to be replaced	Schedule for completion of project
N/A	Once the approval of the CIP is received we will conduct a study and do repairs. Thus completion should be by the beginning FY 17.
Estimated value of replaced item:	\$0.00

NET Estimated Annual Impact: \$0.00
Explanation
Several thousands of dollars if we can avoid leaks, emergency repairs and prevent downtime of the WTP.



CAPITAL COMMITMENT TRACKING SYSTEM

Division: Public Works	Priority: 4
Department: Water	Type: Replacement
Project: Chemical Storage Tanks & Feed System Improvements - Update	Cost Basis: Arct/Eng
Project Category: Equip (non-Rolling)	Asset Class: Select One
Project Type: Design/Construction (buildings, open space, athletic fields, water, sewer, drain, DWTP)	

FY2016	FY2017	FY2018	FY2019	FY2020	Total
\$70,000.00	\$125,000.00	\$125,000.00	\$200,000.00	\$250,000.00	\$770,000.00

Funding Source	Funding Amount	Submitted by: Linda Hmurciak
Water Fund	\$770,000.00	Title: Super. WTP
Total	\$770,000.00	Date: 11/28/2014

Description	Justification
Replacement of chemical tanks and associated pumps, piping and alarms.	Most of the chemical feed systems and storage tanks are reaching the end of their useful life span thus need to be upgraded or replaced to over the next several years. This would include seven (7) bulk storage tanks and several day tanks , 2 – 4 chemical feed pumps for each chemical along with all associated plumbing and alarms.

Description of item to be replaced	Schedule for completion of project
Storage tanks ranging in size from 100 gal day tanks to 3300 gal storage tanks along with the chemical metering pumps.	This project is expected to span a few years until the project is completed.
Estimated value of replaced item: \$0.00	

NET Estimated Annual Impact: \$0.00
Explanation



CAPITAL COMMITMENT TRACKING SYSTEM

Division: Public Works **Priority:** 7
Department: Water **Type:** Replacement
Project: Process Control Computer - update **Cost Basis:** Arct/Eng
Project Category: Equip (non-Rolling) **Asset Class:** Select One
Project Type: Vehicle/Equipment (including "General IT")

FY2016	FY2017	FY2018	FY2019	FY2020	Total
\$150,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$150,000.00

Funding Source	Funding Amount	Submitted by:
Water Fund	\$150,000.00	Linda Hmurciak
Total	\$150,000.00	Title: Superintendent
		Date: 10/27/2014

Description	Justification
Engineering, equipment and installation of new controllers, rewiring all points to new terminal strips, and replace the old SCADA system (Supervisory Control and Data Acquisition) with a newer water treatment plant control computer and software (Operators Control Center).	The present SCADA system, which runs the Water Treatment Plant, is out of date and electronic circuit boards are no longer available for repair or replacement. If not replaced the process control computer failures will increase and the overall impact on the treatment plant would be greatly affected as well as the water quality and supply.

Description of item to be replaced	Schedule for completion of project
The SCADA system is the original that was installed when the plant was built in 1991. Parts of the system have been updated throughout the years but that can no longer happen.	Once approved, go out to bid for design and specifications and expect installation by the end of FY 16.
Estimated value of replaced item:	\$0.00

NET Estimated Annual Impact: \$10,000.00

Explanation

An increase in service/repair charges would be incurred as the system is considered old technology.



CAPITAL COMMITMENT

TRACKING SYSTEM

Division: Sewer	Priority: 1
Department: Sewer	Type: Improvement
Project: Improvements to Various Sewer Pump Station. FY 16 - FY20	Cost Basis: Arct/Eng
Project Category: Infrastructure	Asset Class: Select One
Project Type: Design/Construction (buildings, open space, athletic fields, water, sewer, drain, DWTP)	

FY2016	FY2017	FY2018	FY2019	FY2020	Total
\$750,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$950,000.00

Funding Source	Funding Amount	Submitted by: Bruce Thibodeau
Sewer Fund	\$950,000.00	Title: Director of Public Works
Total	\$950,000.00	Date: 10/27/2014

Description

Replacement of the Rea's Pond Pump Station with a higher capacity, modern station and to move the location out of the Flood Plain. Pump Station is designed and permitted awaiting approval of final funding to bid construction.

Improvements to Forest View, Boston Hill, Blue Ridge, Winter Street Pumping Stations - Replacement of two (2) check release valves, air release valve, upgrade of the PLC (Programmable Logic Controller), repair of damaged sluice gates, and the installation of a new level reading device to prevent overflows of raw sewerage.

Justification

The primary pump station to be improved, which would be a complete replacement, will be the Rea's Pond Pump Station however there are 21 other pump stations that the Town maintains that are in need of upgrades. Many of these have been taken over from private developers as the associated projects were accepted by the Town. Many are 20 to 30 years old. The Rea's Pond Wastewater pumping station, located on Great Pond Road, Rt. 133, adjacent to the Lake and Rea's Pond was built in 1992. It was built by private developers to service new development; one known as French Farm subdivision. Over the years it has become a major component of the collection system in this area. The service area stretches to the north with the above mentioned subdivision as far as the Rt. 125 and Barker Street, and south around the Lake to, and including, Brooks School. During times of extreme wet weather and high groundwater a portable diesel pump is used to increase pumping capacity and prevent sewerage overflow in the adjacent environmentally sensitive areas, which are the Town's water supply.

Description of item to be replaced

See description above.

Schedule for completion of project

Design and permitting of the replacement of the Rea's PS is completed as well as the necessary easements granted and accepted by the Board of Selectmen. With the authorization of the final funding, bids may be taken in July 2015. The construction phase will be approximately 9 months. Improvements to the other pump stations would be completed within 6 months of authorization of funds.

Estimated value of replaced item: \$1,000.00

NET Estimated Annual Impact: \$25,000.00

Explanation

Reduce the estimated maintenance costs by replacing antiquated equipment at the various pump stations.



CAPITAL COMMITMENT TRACKING SYSTEM

Division: Public Works	Priority: 2
Department: Sewer	Type: Select One
Project: Commonwealth Ave Sewer Replacement	Cost Basis: Vendor Quote
Project Category: Infrastructure	Asset Class: Select One
Project Type: Design/Construction (buildings, open space, athletic fields, water, sewer, drain, DWTP)	

FY2016	FY2017	FY2018	FY2019	FY2020	Total
\$125,000.00	\$25,000.00	\$0.00	\$0.00	\$0.00	\$150,000.00

Funding Source	Funding Amount	Submitted by:
Other	\$150,000.00	Tim Willett
Total	\$150,000.00	Title: Operations Manager
		Date: 10/27/2014

Description	Justification
File an RDA with the Conservation Commission for permitting. Install 300 feet of new 6" PVC sewer pipe in Commonwealth Ave. Connect 10 house service lines to the new main line, install 3 new pre-cast concrete sewer manholes. Install and compact backfill, gravel, and trench pavement. Install pavement overlay the following year. Create new As-Built Drawing after construction has been completed.	The existing sewer main in Commonwealth Ave is 103 years old and needs replacement. In 2009, a 20 foot section of pipe collapsed and had to be replaced. In 2013, a professional sewer service company was hired to clear roots. It took 2 entire days to do the job. The sewer line experiences heavy infiltration in spring time through pipe joints. Sewer mitigation funds will be used to pay for all costs. Labor is estimated at \$91,000, permitting & engineering at \$9,000, materials at \$25,000. Pavement overlay is estimated at \$25,000. These funds have been collected over recent years from private development projects. Using these funds has no impact on the sewer billing rate.

Description of item to be replaced	Schedule for completion of project
Three hundred feet of six-inch clay sewer pipe, three brick manholes, 10 house service connections.	File RDA: February 2015 Begin Construction: May 2015 Complete Construction: June 2015 As-Built Drawing: August 2015 Install pavement overlay: May 2016
Estimated value of replaced item:	\$0.00

NET Estimated Annual Impact:	\$10,000.00
Explanation	
The cost for repairs and maintenance.	

DEBT SERVICE

DEBT SERVICE

Bonded Debt

This expenditure covers the cost of the principal and interest payments of the Town's bonded debt with the exception of the Water and Sewer Enterprise Funds which appears in their respective budgets. The expenditure includes payment on the Town's recent long term bonding and payment required from the Town's CIP.

General Debt Limit

Under Massachusetts's statutes, the General Debt Limit of the Town of North Andover consists of a Normal Debt Limit and a Double Debt Limit. The Normal Debt Limit of a Town is 5 percent of the valuation of taxable property. The Town can authorize debt up to this amount (currently \$223,309,300) without State approval. The Town can authorize debt up to twice this amount (Double Debt Limit) with the approval of the State Emergency Finance Board.

There are many categories of general obligation debt which are exempt from and do not count against the General Debt Limit. Among others, these exempt categories include revenue anticipation notes and grant anticipation notes, emergency loans, loans exempted by special laws, certain school bonds, sewer project bonds and solid waste and solid waste disposal facility bonds (as approved by the Emergency Finance Board), and, subject to special debt limits, bonds for water, housing, urban renewal and economic development (subject to various debt limits) and electric and gas (subject to a separate limit to the General Debt Limit, inducing the same doubling provision). Industrial revenue bonds, electric revenue bonds and water pollution abatement revenue bonds are not subject to these debt limits. The General Debt Limit and the special debt limit for water bonds apply at the time the debt is authorized. The other special debt limits generally apply at the time the debt is incurred.

Debt Limit Calculation (Debt from all sources including Water and Sewer)	
Equalized Valuation 1/1/13	4,446,186,000
Debt Limit	222,309,300
Outstanding Debt outside Limit 6/18/14	13,112,310
Outstanding Debt inside Limit 6/18/14	<u>38,686,230</u>
Total Outstanding Debt 6/18/14	51,798,540
Debt Limit	222,309,300
Debt subject to Debt Limit	<u>38,686,230</u>
Borrowing Capacity	183,623,070

Communities have four basic ways to finance capital projects: pay-as-you-go financing, debt financing, public private ventures, and intergovernmental financing (such as the SRF's low interest loan/grant program). Over reliance on any one of these options can be risky to a local government's fiscal health. It can also restrict the municipality's ability to respond to changes in economic and fiscal conditions.

Authorization of General Obligation Debt

Under the General Laws, bonds and notes of a Town are generally authorized by vote of two-thirds of all the members of the Town Meeting. A provision is made for a referendum on the filing of a petition bearing the requisite number of signatures that would allow the cost to be excluded from the Proposition 2½ taxation limits. Borrowing for certain purposes also requires administrative approval from the commonwealth.

Temporary loans in anticipation of current revenues, grants and other purposes can be made without local legislative approval.

Types of Obligations

Under Massachusetts statute, the Town is authorized to issue general obligation indebtedness of the following types:

Serial Bonds and Notes - These are generally required to be payable in equal or diminishing annual principal amounts beginning no later than the end of the next fiscal year commencing after the date of issue and ending within the terms permitted by law. Level debt service is permitted for bonds or notes issued for certain purposes, and for those projects for which debt service has been exempted from property tax limitations. The maximum terms vary from one year to 40 years, depending on the purpose of the issue. Most of the purposes are capital projects. They may be made callable and redeemed prior to their maturity, and a redemption premium may be paid. Refunding bonds or notes may be issued subject to the maximum terms measured from the date of the original bonds or notes. Serial bonds may be issued as "qualified bonds" with the approval of the State Emergency Finance Board, subject to such conditions and limitations (including restrictions on future indebtedness) as may be required by the Board. The State Treasurer is required to pay the debt service on "qualified bonds" and thereafter to withhold the amount of the debt service from state aid or other state payments. Administrative costs and any loss of interest income to the Commonwealth are to be assessed upon the Town.

Bond Anticipation Notes – These generally must mature within two years of their original dates of issuance, but may be refunded from time to time for a period not to exceed five years from their original date of issuance, provided that (except for notes issued for certain school projects that have been approved for state school construction aid) for each year that the notes are refunded beyond the second year, they must be paid in part from revenue funds in an amount at least equal to the minimum annual payment that would have been required if the bond had been issued at the end of the second year. The maximum term of bonds issued to refund bond anticipation notes is measured from the date of the original issue of the notes except for notes issued for such State-aided school construction projects.

Revenue Anticipation Notes – Revenue Anticipation Notes are issued to meet current expenses in anticipation of taxes and other revenues. They must mature within one year but, if payable in less than one year, may be refunded from time to time up to one year from the original date of issue.

Grant Anticipation Notes – Grant Anticipation Notes are issued for temporary financing in anticipation of federal grants and state and county reimbursements. They must generally mature within two years, but may be refunded from time to time as long as the municipality remains entitled to the grant and reimbursement.

Revenue Bonds – Cities and towns may issue revenue bonds for solid waste disposal facilities and for projects financed under the Commonwealth’s water pollution abatement revolving loan program. In addition, cities and towns having electric departments may issue revenue bonds, and notes in anticipation of such bonds, subject to the approval of the State Department of Public Utilities. The Town of North Andover does not have an electric department, and has not authorized any other Town revenue bonds.

Bond Rating

The Town’s bond rating is as follows:

Standard and Poor’s	AA +
Moody’s	Aa2

General Fund Debt Service

Expense Line Item	2013 ACTUAL	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	Dollar Change	Percent Change
Expenses						
Principal - Long Term - Excluded	\$ 1,399,856	\$ 1,434,856	\$ 1,485,000	\$ 1,700,000	\$ 215,000	14.5%
Interest - Long Term - Excluded	\$ 440,710	\$ 376,115	\$ 289,775	\$ 236,388	\$ (53,388)	-18.4%
Principal - Long Term - Non Excluded	\$ 3,819,474	\$ 3,931,890	\$ 3,098,967	\$ 3,086,240	\$ (12,727)	-0.4%
Interest - Long Term - Non Excluded	\$ 673,549	\$ 579,627	\$ 688,132	\$ 832,920	\$ 144,789	21.0%
Interest on Notes	\$ -	\$ 1,977	\$ 2,970	\$ 2,970	\$ -	
Total: Debt Service	\$ 6,333,589	\$ 6,324,465	\$ 5,564,844	\$ 5,858,518	\$ 293,674	5.3%

Water Debt Service

Expense Line Item	2013 ACTUAL	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	Dollar Change	Percent Change
Expenses						
Principal - Long Term	\$ 1,642,053	\$ 1,166,448	\$ 1,208,112	\$ 828,506	\$ (379,606)	-31.4%
Interest - Long Term	\$ 219,026	\$ 187,925	\$ 156,334	\$ 117,665	\$ (38,669)	-24.7%
Principal - Long Term - MWPAT	\$ 246,525	\$ 251,505	\$ 256,586	\$ 261,770	\$ 5,184	2.0%
Interest - Long Term - MWPAT	\$ 89,580	\$ 84,600	\$ 79,519	\$ 74,335	\$ (5,184)	-6.5%
Total: Water Debt Service	\$ 2,197,185	\$ 1,690,478	\$ 1,700,551	\$ 1,282,276	\$ (418,275)	-24.6%

Sewer Debt Service

Expense Line Item	2013 ACTUAL	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	Dollar Change	Percent Change
Expenses						
Principal - Long Term	\$ 1,231,965	\$ 1,243,005	\$ 1,251,608	\$ 1,062,508	\$ (189,100)	-15.1%
Interest - Long Term	\$ 331,685	\$ 289,431	\$ 246,378	\$ 209,013	\$ (37,365)	-15.2%
Principal - Long Term - MWPAT	\$ 378,990	\$ 400,896	\$ 424,317	\$ 254,152	\$ (170,165)	-40.1%
Interest - Long Term - MWPAT	\$ 57,560	\$ 49,623	\$ 34,635	\$ 24,174	\$ (10,460)	-30.2%
Total: Sewer Debt Service	\$ 2,000,201	\$ 1,982,954	\$ 1,956,938	\$ 1,549,848	\$ (407,090)	-20.8%

**TOWN OF NORTH ANDOVER
TOTAL DEBT OBLIGATIONS
GENERAL FUND - WATER AND SEWER**

	General Fund	Water	Sewer	Combined Annual
FY2015	\$ 5,561,874	\$ 1,700,551	\$ 1,956,938	\$ 9,219,363
FY2016	\$ 5,815,043	\$ 1,282,276	\$ 1,523,500	\$ 8,620,819
FY2017	\$ 5,574,099	\$ 1,022,670	\$ 1,214,422	\$ 7,811,192
FY2018	\$ 5,232,282	\$ 999,561	\$ 1,194,032	\$ 7,425,875
FY2019	\$ 3,523,405	\$ 836,933	\$ 966,954	\$ 5,327,292
FY2020	\$ 2,804,996	\$ 725,366	\$ 879,795	\$ 4,410,157
FY2021	\$ 2,597,714	\$ 692,006	\$ 679,264	\$ 3,968,984
FY2022	\$ 2,178,596	\$ 662,271	\$ 558,784	\$ 3,399,650
FY2023	\$ 2,065,177	\$ 446,080	\$ 247,256	\$ 2,758,513
FY2024	\$ 2,000,441	\$ 443,255	\$ 233,393	\$ 2,677,089
FY2025	\$ 1,866,641	\$ 418,105	\$ 224,558	\$ 2,509,304
FY2026	\$ 1,493,661	\$ 415,506	\$ 210,261	\$ 2,119,428
FY2027	\$ 1,320,636	\$ 412,905	\$ 194,798	\$ 1,928,340
FY2028	\$ 1,279,411	\$ 410,305	\$ 165,501	\$ 1,855,217
FY2029	\$ 1,234,616	\$ 71,600	\$ -	\$ 1,306,216
FY2030	\$ 795,309	\$ 104,000	\$ -	\$ 899,309
FY2031	\$ 781,064	\$ -	\$ -	\$ 781,064
FY2032	\$ 770,781	\$ -	\$ -	\$ 770,781
FY2033	\$ 754,019	\$ -	\$ -	\$ 754,019
FY2034	\$ 732,094	\$ -	\$ -	\$ 732,094
	\$ 48,381,859	\$ 10,643,390	\$ 10,249,455	\$ 69,274,704

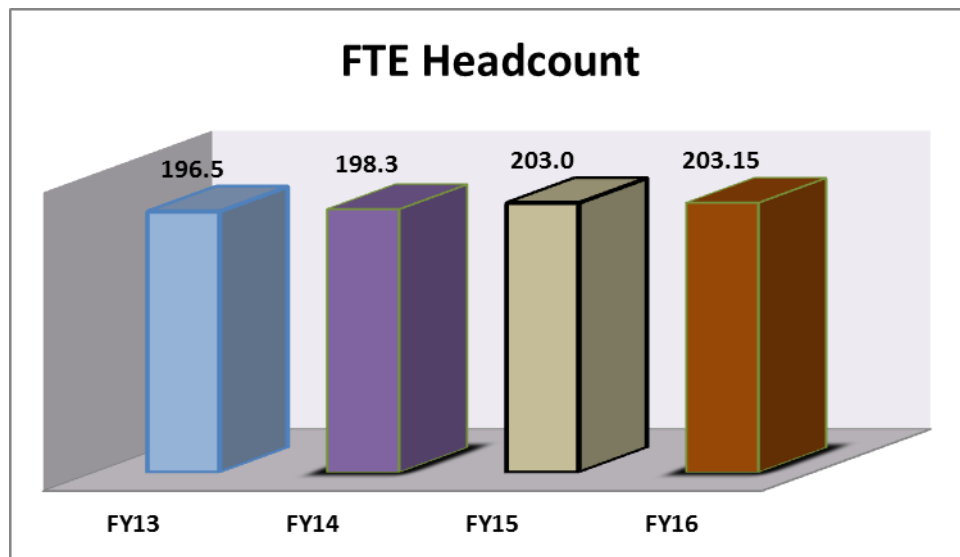


*Country Road , North Andover
Courtesy of Millie Matasso*

Town Non-School Personnel Analysis

With the projected cost of personnel at \$14.1 million or 67.34% of the General Fund non-school operating budget the need to stringently monitor this area of the operating budget is of the highest importance. The FTE Headcount remains relatively unchanged for FY16, .15 FTE increase. However several departments have seen staffing changes in an attempt to improve service delivery and align human resources with departmental functions.

The chart below shows the Town's non-school headcount over the last four years. The table on the following page illustrates the changes, which have been made over the last three fiscal years by department. Further detail breakdown can be found within each departmental presentation



TOWN OF NORTH ANDOVER

GENERAL FUND POSITION LIST COMPARISON

MUNICIPAL DEPARTMENTS	ACTUAL FY14 STAFF POSITIONS	ACTUAL FY15 STAFF POSITIONS	REQUESTED FY16 STAFF POSITIONS	VARIANCE + / (-)
Assessor	3.75	3.75	3.75	0.00
Assistant Town Manager	0.50	0.00	0.00	0.00
Board of Appeals	1.00	1.00	0.50	-0.50
Community Development	2.00	2.00	3.00	1.00
Conservation	1.50	2.00	2.00	0.00
Elder Services	5.00	5.00	5.00	0.00
Emergency Management	0.00	0.00	0.00	0.00
Facilities Management	2.00	2.00	2.00	0.00
Fire	55.00	56.00	56.00	0.00
Health	3.60	3.60	3.60	0.00
Human Resources	1.00	1.00	2.00	1.00
Information Technology *	8.00	8.00	8.00	0.00
Inspectional Services	4.30	4.30	4.30	0.00
Library	12.10	14.10	14.40	0.30
Planning	2.00	2.00	2.00	0.00
Police	53.00	53.00	53.00	0.00
Public Works	23.25	23.25	23.00	-0.25
Purchasing	0.50	0.50	0.50	0.00
Town Accountant	4.00	4.00	3.00	-1.00
Town Clerk	4.00	4.00	4.00	0.00
Town Manager / Selectmen	2.40	3.00	2.50	-0.50
Treasurer / Collector	4.00	4.00	4.00	0.00
Veterans Services	1.40	1.50	1.60	0.10
Youth & Recreation Services	4.00	5.00	5.00	0.00
Grand Total	198.30	203.00	203.15	0.15

* Includes School IT staff

TOWN MANAGER

MISSION STATEMENT

The Town Manager is the Chief Executive Officer and is the primary officer responsible for the implementation of Board of Selectmen policy and compliance with town by-laws, the town charter and the laws of the Commonwealth of Massachusetts. The Town Manager sets overall operating goals for the Town, which determines the departmental goals, and oversees the efficient and effective administration of town government to achieve those goals. The Town Manager is responsible for ensuring the continued economic, social, and financial viability of the Town, and also for ensuring the delivery of quality services to the residents and taxpayers of the Town.

SIGNIFICANT CHANGES

The responsibilities for dealing with health insurance and other responsibilities more traditionally dealt with by a position focused on benefits, but currently handled by the Town Manager's office in North Andover, have been transferred to the Human Resources Department along with the staff member handling those duties. This will align the traditional duties of each office with the staff performing the work in those offices.

PRIOR YEAR ACCOMPLISHMENTS

- Continued the implementation of the Facilities Master Plan including the construction of the new central fire station and the school administration building, and the design for renovations of Town Hall and the Main Street fire station for relocation of Community Development Offices.
- Developed a FY15 Budget maintaining level services without the use of reserves and resulted in no increase in Water and Sewer Rates.
- Drafted and received support for a new set of Financial Reserve Policies.
- Completed the Energy Services performance contracting project.
- Worked with the other Mayors and Managers within the Merrimack Valley to update and re-release the Merrimack Valley Means Business (MVMB) website to spur economic growth.
- Recommended the creation of an OPEB Stabilization Fund and received support to transfer \$1 million into the fund when it was approved.
- Presented a Five Year Capital Improvement Plan for FY15-19 to the Board of Selectmen which adheres to the plan to reduce debt service as a percentage of operating revenue to below 5%.
- Completed sale of the Bradstreet School property.

- Identified and had the Selectmen vote to release many sets of Executive Session minutes.
- Completed assessment of playgrounds within town parks and school grounds to address needed improvements.
- Successfully negotiated agreement with Osgood Street, LLC and the Merrimack Valley Regional Transit Authority to provide commuter bus service from North Andover to Boston.

FY16 GOALS

- Implement Phase 4 of the Facilities Master Plan by July 1, 2015 which includes the construction of the former fire station for use as a new home for Community Development and the design for improvements at the DPW facility.
- Issue Request for Proposals by July 1, 2015 to provide site recommendations and installation of solar energy system(s) at town owned sites, municipal buildings and/or school buildings.
- Develop a FY17 Budget by February 15, 2016 which maintains level services without the use of reserves.
- Increase and maintain the Town's reserves (Stabilization and Capital Stabilization) at approximately 5% of General Fund operating revenues through by June 30, 2016.
- Strive to maintain Water and Sewer utility rates at the level they have been at for the past three years by June 30, 2016.
- Develop a Five Year capital Plan for FY17-21 by December 31, 2015 which adheres to the goal of maintaining debt service as percentage of operating revenue to below 5%.
- Complete performance evaluations for all Division Directors and other senior staff members by July 30, 2016.
- Implement plan to address the parking issues facing the Main Street business corridor by June 30, 2016.
- Expand regional strategic partnerships with surrounding communities by June 30, 2016.

- Pursue net metering credit opportunities to reduce the cost of energy by December 31, 2015.
- Negotiate new three year collective bargaining agreements with all non-public safety Town unions by May 1, 2016.
- Update a unified set of procedures for town-wide use by October 15, 2015.

Town Manager Budget						
Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Request	2016 ADOPTED	Dollar Change	Percent Change
Personnel						
Salaries, Full-Time	\$ 274,355	\$ 256,093	\$ 261,331	\$ 261,331	\$ 5,238	2.0%
Wages, Part-Time	\$ 24,865	\$ 25,170	\$ 25,500	\$ 25,500	\$ 330	1.3%
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	
Longevity	\$ 1,688	\$ 413	\$ 413	\$ 413	\$ -	0.0%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 300,908	\$ 281,676	\$ 287,244	\$ 287,244	\$ 5,567	2.0%
Expenses						
Contract Benefits - Manager	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ -	0.0%
Repairs & Maintenance	\$ -	\$ -	\$ 200	\$ 200	\$ 200	#DIV/0!
Hosting Meeting Expenses	\$ 535	\$ 358	\$ 600	\$ 600	\$ 242	67.6%
Equipment Rental/ Leases	\$ 3,867	\$ 6,053	\$ 6,000	\$ 6,000	\$ (53)	-0.9%
Outside Professional Services	\$ 3,750	\$ 1,920	\$ 3,500	\$ 3,500	\$ 1,580	82.3%
Advertising	\$ 1,060	\$ 898	\$ 1,500	\$ 1,500	\$ 602	67.1%
Training & Education	\$ 22,153	\$ 16,668	\$ 3,500	\$ 3,500	\$ (13,168)	-79.0%
Telephone	\$ 2,739	\$ 2,648	\$ 2,500	\$ 2,500	\$ (148)	-5.6%
Postage Services	\$ 792	\$ 552	\$ 1,000	\$ 1,000	\$ 448	81.1%
Commission on Disability Issues	\$ 250	\$ -	\$ 250	\$ 250	\$ 250	#DIV/0!
Office Supplies	\$ 4,147	\$ 4,224	\$ 4,000	\$ 4,000	\$ (224)	-5.3%
Printing & Forms	\$ 6,737	\$ 6,329	\$ 10,100	\$ 10,100	\$ 3,771	59.6%
Auto Mileage	\$ 6,386	\$ 7,277	\$ 7,600	\$ 7,600	\$ 323	4.4%
Dues/ Memberships & Subscriptions	\$ 5,304	\$ 5,150	\$ 6,700	\$ 6,700	\$ 1,550	30.1%
Other Charges & Expenses	\$ 6,463	\$ 2,319	\$ 1,000	\$ 1,000	\$ (1,319)	-56.9%
Total: Expense Costs	\$ 65,683	\$ 55,897	\$ 49,950	\$ 49,950	\$ (5,947)	-10.6%
Total: Town Manager Costs	\$ 366,591	\$ 337,573	\$ 337,194	\$ 337,194	\$ (379)	-0.1%

Town Manager Personnel Listing					
Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE +/-(-)
Town Manager	Town Manager	1	1	1	0
	Assistant Town Manager	0	0.5	0.5	0
	Administrative Assistant	0.4	0.5	0	-0.5
	Administrative Secretary	1	1	0	-1
	Executive Assistant	<u>0</u>	<u>0</u>	<u>1</u>	<u>1</u>
Total		2.4	3	2.5	-0.5

Moderator Budget

Expense Line Item	2014 BUDGET	2015 Budget	2015 Dept Requested	2015 Town Mgr Recmm'd	Dollar Change	Percent Change
Personnel						
Wages, Part-Time	\$ 750	\$ 825	\$ 825	\$ 825	\$ -	0.0%
Total: Personnel Costs	\$ 750	\$ 825	\$ 825	\$ 825	\$ -	0.0%
Expenses						
Dues and Subscriptions	\$ 75	\$ -	\$ -	\$ -	\$ -	
Total: Expense Costs	\$ 75	\$ -	\$ -	\$ -	\$ -	
Total: Town Moderator Costs	\$ 825	\$ 825	\$ 825	\$ 825	\$ -	0.0%

HUMAN RESOURCES

MISSION STATEMENT

The Human Resources Department serves the employees and citizens of the Town in a manner that reflects the Town's core values and culture. The Department seeks to promote fairness, open communication, and equal opportunity for all. Services include recruitment, compensation and benefits management, employee relations and human resource information management.

SIGNIFICANT CHANGES

We met compliance requirements of the Affordable Health Care Act which requires notifications to health insurance participants, and to individuals who are eligible to participate in health insurance but are not currently enrolled, and the auditing of employee work hours to offer health insurance to employees who were not previously eligible.

We complied with requirements of the Public Employee Committee Agreement regarding contribution rate changes and a subsidy of retiree health insurance.

Effective July 1, 2014 the department received a full time Benefits Specialist position which is critical to the administration of all benefit plans and related billing. The Group Insurance Commission Health Insurance program generates a high volume of activity due to the number of subscribers. The number of subscribers increased by 12 enrollees which includes 562 active employees, 183 retirees and survivors and 199 retired municipal teachers and survivors.

We implemented regulatory changes to the Family Medical Leave Act.

We complied with the implementation of Chapter 149, Section 52E An Act Relative to Domestic Violence.

We have seen high volume recruitment activity from July, 2014 through January, 2015 due to the restructuring of departments, replacing retiring employees and voluntary separations. Recruitment activity resulted in replacing the following 22 positions.

<u>Division/Department</u>	<u>Position</u>
Town Manager	Executive Assistant
Stevens Memorial Library	Library Assistant (2) Senior Library Assistant, Part Time Assistant Children's Librarian, Part Time Professional Librarian (2), Technical Services and Resource Librarian, Head of Circulation, Library Director, Assistant Library Director
Public Works	Drinking Water Treatment Plant Operator, Heavy Motor Equipment Operator, Tree Climber Surgeon
Community & Economic Development	Director, Planning Department Assistant,

Information Technology
Elder Services
Police Department

Alternate Plumbing/Gas Inspector,
Alternate Local Building Inspector,
Alternate Electrical Inspector, Town Planner
Network Manager
Receptionist, Office Assistant
Police Officers (4 full time)
Communications Officers (2 full time and
3 part time)

PRIOR YEAR ACCOMPLISHMENTS

The Personnel Policy was revised in October, 2014.

The completion date for a succession planning model for retiring staff has been changed from April to June, 2015.

FY16 GOALS

The transfer of the Town's new financial system was changed from 2015 to 2016. We will offer employee self-service options such as the ability to change personal or benefits information in January 2016.

Provide two Town-wide training sessions for employees by August 31, 2015 and by November 30, 2015.

Provide two training sessions for Department Heads by September 30, 2015 and by February, 29, 2016.

Schedule and coordinate two Assessment Centers, one for Fire Chief and one for Police Chief and complete the hiring process by May 1, 2016.

Hire and work with a compensation consultant to review and update the Pay Classification plan by November 30, 2015.

Human Resources Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Requested	2016 ADOPTED	Dollar Change	Percent Change
Personnel						
Salaries, Full-Time	\$ 80,160	\$ 132,372	\$ 134,458	\$ 134,458	\$ 2,086	1.6%
Longevity	\$ -	\$ 1,125	\$ 1,125	\$ 1,125	\$ -	
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 80,160	\$ 133,497	\$ 135,583	\$ 135,583	\$ 2,086	1.6%
Expenses						
Outside Professional Services	\$ -	\$ 7,800	\$ 22,500	\$ 22,500	\$ 14,700	188.5%
Advertising	\$ -	\$ 79	\$ 79	\$ 79	\$ -	0.0%
Training & Education	\$ 241	\$ 265	\$ 2,300	\$ 2,300	\$ 2,035	767.9%
Postage Services	\$ 160	\$ 266	\$ 271	\$ 271	\$ 5	2.1%
Office Supplies	\$ 1,206	\$ 1,493	\$ 1,000	\$ 1,000	\$ (493)	-33.0%
Printing & Forms	\$ 1,276	\$ 581	\$ 500	\$ 500	\$ (81)	-13.9%
Auto Mileage	\$ 82	\$ 156	\$ 175	\$ 175	\$ 19	12.3%
Dues/ Memberships & Subscriptions	\$ 428	\$ 438	\$ 654	\$ 654	\$ 216	49.3%
Other Charges and Expense	\$ -	\$ -	\$ 200	\$ 200	\$ 200	
Total: Expense Costs	\$ 3,392	\$ 11,076	\$ 27,679	\$ 27,679	\$ 16,603	149.9%
Total: Human Resource Costs	\$ 83,552	\$ 144,574	\$ 163,262	\$ 163,262	\$ 18,688	12.9%

Human Resources Personnel Listing					
Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE + / (-)
Human Resources	Director	1	1	1	0
	HR Benefits Specialist	<u>0</u>	<u>0</u>	<u>1</u>	<u>1</u>
Total		1	1	2	1

TOWN ACCOUNTANT

MISSION STATEMENT

The Town Accountant provides the controllership and audit functions for the Town and its departments and agencies. The Accounting Department protects the fiduciary interest of the Town by ensuring that the financial records are accurately maintained and preserved; supervising and monitoring the expenditures of the Town funds; utilizing sound accounting practices; and performing all other auditing and accounting functions pursuant to the Town Charter, Town By-Laws and the laws of the Commonwealth of Massachusetts.

SIGNIFICANT CHANGES

There were no significant changes to the Town Accountant's Office this fiscal year.

PRIOR YEAR ACCOMPLISHMENTS

- Awarded the Distinguished Budget Presentation Award for the second year.
- Awarded the Comprehensive Annual Financial Report (CAFR) for FY13.
- Complied with State filing requirements by completing and submitting the Town's Balance Sheet by September 15th.
- Complied with State filing requirements by completing the Schedule A by October 31st.
- Successfully implemented first phase of new general ledger software by June 30, 2015.

FY16 GOALS

- Submit the FY16 Budget for the "Distinguished Budget Presentation Award" to the GFOA by August 8, 2015.
- Work with various departments to implement and train on phase two new financial system no later than June 30, 2016.
- Comply with State filing requirements by completing the Balance Sheet by September 15, 2015
- Comply with State filing requirements by completing Schedule A (a comprehensive report on Town and School expenditures and account balances) by October 31, 2015.
- Work with external auditors to produce the Town Comprehensive Annual Financial Report (CAFR) to be submitted to the GFOA by December 31, 2015.

Accounting Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Request	2016 ADOPTED	Dollar Change	Percent Change
Personnel						
Salaries, Full-Time	\$ 201,690	\$ 212,693	\$ 188,189	\$ 188,189	\$ (24,505)	-11.5%
Longevity	\$ 2,275	\$ 2,275	\$ 2,606	\$ 2,606	\$ 331	14.5%
Salary Reserve	\$ -		\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 203,965	\$ 214,968	\$ 190,795	\$ 190,795	\$ (24,174)	-11.2%
Expenses						
Equipment Rental/Lease	\$ 3,300	\$ 3,781	\$ 582	\$ 582	\$ (3,200)	-84.6%
Outside Professional Services	\$ 9,276	\$ 2,725	\$ 10,000	\$ 10,000	\$ 7,275	267.0%
Training & Education	\$ 1,315	\$ 1,250	\$ 1,600	\$ 1,600	\$ 350	28.0%
Telephone	\$ 480	\$ 480	\$ 480	\$ 480	\$ -	0.0%
Postage Services	\$ 86	\$ 154	\$ 150	\$ 150	\$ (4)	-2.9%
Office Supplies	\$ 3,455	\$ 3,032	\$ 3,200	\$ 3,200	\$ 168	5.6%
Printing & Forms	\$ 3,285	\$ 5,396	\$ 5,000	\$ 5,000	\$ (396)	-7.3%
Uniforms & Clothing	\$ 125	\$ 150	\$ 175	\$ 175	\$ 25	16.7%
Auto Mileage	\$ 109	\$ 259	\$ 150	\$ 150	\$ (109)	-42.1%
Dues/ Memberships & Subscriptions	\$ 530	\$ 570	\$ 530	\$ 530	\$ (40)	-7.0%
Other Charges & Expenses	\$ 359	\$ 697	\$ 300	\$ 300	\$ (397)	-56.9%
Total: Expense Costs	\$ 22,320	\$ 18,494	\$ 22,167	\$ 22,167	\$ 3,672	19.9%
Total: Town Accountant Costs	\$ 226,285	\$ 233,462	\$ 212,961	\$ 212,961	\$ (20,501)	-8.8%

Town Accountant Personnel Listing					
Department	Title	FY14 STAFF POS	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE +/-
Accounting	Town Accountant/Finance Director	1	1	1	0
	Assistant Town Accountant	1	1	1	0
	Payroll Coordinator	0.6	0.6	0.6	0
	Accounts Payable Clerk	1	1	0.4	-0.6
	Part Time Clerk	<u>0.4</u>	<u>0.4</u>	<u>0</u>	<u>-0.4</u>
Total		4.0	4.0	3.0	-1.0

ASSESSOR'S OFFICE

MISSION STATEMENT

The Assessor's Office is responsible for valuing all taxable and exempt property, generating the Real and Personal Property Tax Roll and administering the Motor Vehicle Excise Tax. In FY 2015, North Andover had 10,066 taxable real estate parcels and 912 taxable personal property accounts for a total taxable value of \$4,294,276,090. The FY 2015 Real and Personal Property Taxes totaled \$65,031,996.86. Calendar 2014 Motor Vehicle Excise taxes were \$4,362,822.78.

The combined total, \$70,394,819.64 is 72.07 % of the Town's Estimated FY 2015 Revenue.

The Assessor's Office processes all statutory and CPA exemptions, Chapter Land Classification Applications, and Application for Abatement. The Office defends values at the Appellate Tax Board, maintains an "In House" Mass Appraisal System containing the Town's Real Estate Records, updates the Towns Cadastral Maps, GIS base map and property ownership information. The Assessor's Office analyzes real estate sales and financial data annually and performs interim year valuation adjustments as required. Department of Revenue Statistical criteria are met and exceeded, insuring values which are uniform and fewer appeals. The triennial revaluations are performed in house with some extra consulting on the commercial. Fiscal 2016 is a triennial revaluation year.

SIGNIFICANT CHANGES

The basic functions of the Office are governed by Revenue statutes and Department of Revenue Regulations. The Regulations are getting more complicated. The computer software upgrades require a longer learning curve. The Office is using Statistics programs like SPSS and NCSS more as well as constructing more complicated analytical spreadsheets.

The CSC is installing a new cloud-based version of the CAMA Software. This past year I served on a CSC committee which redesigned the record structure and property record cards for condominium records on the CAMA system. The redesigned software has been implemented and data from our recollection program is being entered into the new records.

The DOR has mandated that all residential condominiums are to be physically inspected and all detached and/or Townhouse Style condominiums are to be sketched and put on the CAMA system. In order to comply with this mandate, the Assessor's Office began the recollection of the interior and exterior data for all residential condominiums. There are currently 2,059 residential condominium units for Fiscal 2015.

PRIOR YEAR ACCOMPLISHMENTS

- The Assessor's Office began the recollection of the interior and exterior data for all residential condominiums. To date, approximately 80 % of the condominium data has been recollected.
- The Assessor's Office produced \$793,341 in tax levy New Growth. The FY15 Budget estimate was \$600,000. In addition to the New Growth, \$46,386 was produced in Supplemental Real Estate Tax (Hopkinton)
- The Assessor's Office processed all 117 FY14 abatement applications before the May 1, 2014 deadline. The pending Appellate Tax Board Real Estate Cases were settled. The FY15 Interim Year Valuation Update and Tax Rate submissions to the DOR were completed in a timely manner. The office began analyzing 2014 sales for the FY 2016 Triennial Revaluation in May of 2014.

FY16 GOALS

- Complete a Triennial Reassessment of all Real and Personal Property for FY 2016 with submission of the documentation to the Department of Revenue in September of 2015.
- Continue the inspection and data recollection of small multi-family properties for cyclical inspection mandate, begun in March 2014, and continue until the spring of 2016.
- Perform all the annual work required following the tax cycle. For examples prepare tax rolls, name changes, update maps, check building permits etc. on or before December 1, 2015.
- To continue formal educational training for staff as classes become available.
- Begin researching alternative to current mass appraisal system, for implementation in 2017.

Assessors Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Requested	2016 ADOPTED	Dollar Change	Percent Change
Salaries, Full-Time	\$ 197,513	\$ 201,584	\$ 202,915	\$ 202,915	\$ 1,331	0.7%
Wages, Part-Time	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 0	0.0%
Longevity	\$ 2,775	\$ 2,775	\$ 2,775	\$ 2,775	\$ -	0.0%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 210,288	\$ 214,359	\$ 215,690	\$ 215,690	\$ 1,331	0.6%
Expenses						
Repairs & Maintenance	\$ 7,228	\$ 7,793	\$ 7,300	\$ 7,300	\$ (493)	-6.3%
Outside Professional Services	\$ 63,400	\$ 67,865	\$ 68,500	\$ 68,500	\$ 635	0.9%
Advertising	\$ 150	\$ 155	\$ 500	\$ 500	\$ 345	223.2%
Conferences In State	\$ 215	\$ 355	\$ 1,000	\$ 1,000	\$ 645	181.7%
Training & Education	\$ 1,655	\$ 938	\$ 3,500	\$ 3,500	\$ 2,562	273.1%
Telephone	\$ 570	\$ 570	\$ 600	\$ 600	\$ 30	5.2%
Postage Services	\$ 2,992	\$ 3,021	\$ 3,000	\$ 3,000	\$ (21)	-0.7%
Binding	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	#DIV/0!
Plans & Mapping	\$ 6,500	\$ 2,720	\$ 6,500	\$ 6,500	\$ 3,780	139.0%
Office Supplies	\$ 8,009	\$ 8,272	\$ 3,000	\$ 3,000	\$ (5,272)	-63.7%
Printing & Forms	\$ 339	\$ 460	\$ 800	\$ 800	\$ 341	74.1%
Vehicle Fuel	\$ 237	\$ 200	\$ 550	\$ 550	\$ 350	175.3%
Uniforms & Clothing	\$ 125	\$ 150	\$ 175	\$ 175	\$ 25	16.7%
Auto Mileage	\$ 382	\$ 105	\$ 600	\$ 600	\$ 496	474.2%
Dues/ Memberships & Subscriptions	\$ 5,711	\$ 5,600	\$ 4,900	\$ 4,900	\$ (700)	-12.5%
Other Charges & Expenses	\$ 71	\$ 110	\$ 500	\$ 500	\$ 390	355.4%
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Expense Costs	\$ 97,585	\$ 98,313	\$ 102,425	\$ 102,425	\$ 4,112	4.2%
Total: Assessing Office	\$ 307,872	\$ 312,672	\$ 318,115	\$ 318,115	\$ 5,443	1.7%

Assessors Personnel Listing					
Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE + / (-)
Assessor	Assessors	1	1	1	0
	Assistant Assessor	2	2	2	0
	Department Assistant	0.75	0.75	0.75	0
Total		3.75	3.75	3.75	0

TREASURER/COLLECTOR

MISSION STATEMENT

The mission of the North Andover Treasurer/Collectors office is to bill, collect, invest, borrow, safeguard and disburse monies in an accurate and professional manner.

SIGNIFICANT CHANGES

There were no significant changes to the Treasurer/Collectors office this fiscal year.

PRIOR YEAR ACCOMPLISHMENTS

- Increased the departments offering on-line bill paying.
- Treasurer/Collector received Massachusetts Collector certification.
- Increased tax title collection.
- Cleaned up some old agency funds (closed over 100K to general fund). Implemented quarterly reconciliation of agency fund.
- Cleaned up old problem real estate accounts (rebilled, re-advertised, etc.)
- Renegotiated banking balances to offset fees.
- Implemented new cash management software system with go live date of July 1, 2015

FY16 GOALS

- Write off/abate old receivables with the assistance of the Assessor's office no later than December 31, 2015.
- Implement new tax billing software to be integrated with new general ledger software no later than June 30, 2016.

Treasurer Collector Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Request	2016 ADOPTED	Dollar Change	Percent Change
Personnel						
Salaries, Full-Time	\$ 182,528	\$ 186,019	\$ 188,719	\$ 188,719	\$ 2,700	1.5%
Wages, Part-Time	\$ 166	\$ 2,457	\$ -	\$ -	\$ (2,457)	
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	
Longevity	\$ 3,100	\$ 3,200	\$ 3,200	\$ 3,200	\$ -	0.0%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 185,794	\$ 191,675	\$ 191,919	\$ 191,919	\$ 244	0.1%
Expenses						
Repairs & Maintenance	\$ -	\$ 0	\$ 240	\$ 240	\$ 240	#####
Outside Professional Services	\$ 12,133	\$ 11,940	\$ 9,700	\$ 9,700	\$ (2,240)	-18.8%
Data Processing	\$ 17,730	\$ 7,550	\$ 14,000	\$ 14,000	\$ 6,450	85.4%
Tax Title/ Foreclosure	\$ 14,312	\$ 21,002	\$ 20,000	\$ 20,000	\$ (1,002)	-4.8%
Training & Education	\$ 485	\$ 1,235	\$ 5,000	\$ 5,000	\$ 3,765	304.8%
Postage Services	\$ 46,537	\$ 56,116	\$ 60,000	\$ 60,000	\$ 3,884	6.9%
Office Supplies	\$ 4,842	\$ 3,145	\$ 5,000	\$ 5,000	\$ 1,855	59.0%
Printing & Forms	\$ 17,095	\$ 12,954	\$ 13,000	\$ 13,000	\$ 46	0.4%
Uniforms & Clothing	\$ 375	\$ 450	\$ 375	\$ 375	\$ (75)	-16.7%
Auto Mileage	\$ 258	\$ 372	\$ 200	\$ 200	\$ (172)	-46.2%
Dues/ Memberships & Subscriptions	\$ 357	\$ 367	\$ 400	\$ 400	\$ 33	9.0%
Other Charges & Expenses	\$ 115	\$ 502	\$ 200	\$ 200	\$ (302)	-60.1%
Total: Expense Costs	\$ 114,239	\$ 115,633	\$ 128,115	\$ 128,115	\$ 12,482	10.8%
Total: Treasury Costs	\$ 300,033	\$ 307,308	\$ 320,034	\$ 320,034	\$ 12,726	4.1%

Treasurer Collector Personnel Listing					
Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE +/(-)
Treasurer	Treasurer Collector	1	1	1	0
	Department Assistan	2	2	2	0
	Principal Assistant	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		4	4	4	0

TOWN CLERK

MISSION STATEMENT

The Town Clerk's Office is dedicated to providing efficient, competent, and courteous service to our customers. The Office is the gateway to public information, records preservation for today and future generations, election and voting services, licensing for the Town, and a Passport Agency. Notary public and Justice of the Peace Services are provided to the public. The Town Clerk's Office operates in a professional and automated environment and always seeks to maintain fiscal responsibility to the taxpayers of North Andover.

SIGNIFICANT CHANGES

The Town Clerk's Office is constantly adjusting to extensive legislative changes and additional demand for services. Mandates continue as Ethics Monitoring, Open Meeting Law, and Campaign Finance Reporting expand and require extensive resources. New networks have been established for the creation and issuance of all vital records. This system has and will require extensive training and patience as the office evolves into an all-electronic era. Election law changes and mandates require constant updates and training as there will be at least two elections in calendar year 2015-2016. The Presidential Primary is tentatively scheduled for March 1, 2016 and the Annual Town Election for March 29, 2016. Early voting and possible new voting machines will change what we must adapt to. Already enacted legislation will impact no-excuse absentee voting, early voting, and amended voter registration regulations. The office continues being a passport agency because of extraordinary efforts by staff to provide a high level of service to the Town's residents. Record retention and preservation remain a large challenge with limited staff resources and expanding demand. It will be a challenge to maintain personal contact with citizens in the era of instant technology.

PRIOR YEAR ACCOMPLISHMENTS

- It was an extraordinary year with the 2014 Annual Town Election in March, a State Primary Election in September, 2014 Primary Election and State Election in November 2014 with over 12,000 voters voting. One night Annual Town Meeting on May 19, 2014 with all voted articles approved by the Attorney General.
- The cooperation of the School, Police, Fire and Emergency Management Departments made the election process safe and in strict accordance with all mandates and regulations.
- The issuance of passports continues in the Town Clerk's office through very stringent changes in Vital Record issuance. This is such an important service that is offered to residents and others due to the dedicated efforts of Suzanne Pelich and Patricia Sifferlen. Complex passports are processed because of a diverse population and reputation for accuracy and assistance.

- Staff is always looking for better ways to process dog licenses and business certificates.
- License renewals, under the auspices of the Licensing Commissioners, were all processed and completed. Assistant Town Clerk Karen Fitzgibbons has worked well with existing and new license holders to maintain a very positive business climate. New businesses are important to the Town's economic future and the office is so committed to making their experience pleasant and efficient. Improvements are implemented every year to make the issuance and renewals more user-friendly to business owners. The Alcoholic Beverages Control Commission is in the process of implementing on-line applications and renewals.
- Prepared filings and assured that all candidates were in full compliance with Office of Campaign and Political Finance Requirements. This is a constant challenge as new legislation is in place.
- Continued the complicated Open Meeting Law and Ethics requirements with tracking and postings implemented. There are over 2,500 potential required employees, Board and Committee members and vendors to monitor.
- Continued to automate Dog Licenses (producing over \$45,000 in revenue). The safety of the public is protected because of diligent attention to monitoring rabies vaccination and owner compliance. The office has established automated renewals working with vendors to streamline the process.
- Business Certificates for compliance and optimum revenue were coordinated with the Inspector of Buildings to monitor zoning issues. Department of Revenue mandates have increased processing time and needed record keeping. Automated programs will assist in compliance and efficiency and enhance revenue through improved renewal process.
- The office continued to maintain a high level of customer service with existing staff and financial resources as demands increase. The Town Clerk's staff is committed to our residents.

FY16 GOALS

- Work with IT to make more forms and processes available on Town's web site by December 1, 2015.
- Improve Ethics distribution, compliance of on-line training, monitoring of test compliance, and assure all Boards and Committees are up to date by November 1, 2015.
- Improve voter registration and census process in preparation for 2016 Presidential Primary in March 2016.
- Continue to work with School Department monitoring of Kindergarten Registration. This is a time commitment but does allow updating of voter registration and census updates on a timely basis.

- Continue to assist with town-wide implementation of Laserfiche and expand departmental use, necessary to be in compliance with Open Meeting Law requirements for posting and retention of meeting documents by June 30, 2016.
- The State project to bring all death records on-line with Funeral Directors and medical personnel which began in 2014 will continue to assure all certificates are in the Vitals system and totally automated. The office has successfully implemented the Birth Certificate system through the State Registry for all new birth certificates. The new system has been a daily struggle as it is very flawed and requires perseverance and patience. Completion date, dependent on State implementation, is anticipated by November 2015. The system is up and running in January 2015 and will see updates and changes.
- Bring all elected officials into compliance with Campaign Finance Reports for year-end filings by January 2016 to assure January 20, 2016 filing deadline.
- I would recommend quarterly meetings with other departments to communicate and resolve issues. Interdepartmental Communication could be a path to more efficient service and eliminate duplication and seek better methods.

Town Clerk Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Requested	2016 ADOPTED	Dollar Change	Percent Change
Personnel						
Salaries, Full-Time	\$ 190,453	\$ 194,707	\$ 198,079	\$ 198,079	\$ 3,372	1.7%
Wages, Part-Time	\$ 2,160	\$ 2,335	\$ 2,160	\$ 2,160	\$ (175)	-7.5%
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	
Longevity	\$ 2,375	\$ 2,575	\$ 2,900	\$ 2,900	\$ 325	12.6%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 194,989	\$ 199,618	\$ 203,139	\$ 203,139	\$ 3,521	1.8%
Expenses						
Repairs & Maintenance	\$ 2,055	\$ 1,800	\$ 4,500	\$ 4,000	\$ 2,200	122.2%
Equipment Rental/ Lease	\$ 6,325	\$ 4,975	\$ 9,700	\$ 8,000	\$ 3,025	60.8%
Outside Professional Services	\$ 195	\$ 280	\$ 650	\$ 650	\$ 370	131.9%
Census	\$ -	\$ 200	\$ -	\$ -	\$ -	
Training & Education	\$ 1,159	\$ 795	\$ 1,650	\$ 1,650	\$ 855	107.5%
Postage Services	\$ 6,141	\$ 11,408	\$ 10,200	\$ 10,200	\$ (1,208)	-10.6%
Binding	\$ 815	\$ -	\$ 1,500	\$ 1,500	\$ 1,500	#DIV/0!
Election Expenses	\$ 3,802	\$ 5,652	\$ 4,000	\$ 6,500	\$ 849	15.0%
Town Meeting Expenses	\$ 8,232	\$ 6,834	\$ 7,000	\$ 7,000	\$ 167	2.4%
Election & Meeting Workers	\$ 15,731	\$ 47,804	\$ 38,000	\$ 33,000	\$ (14,804)	-31.0%
Outside Detail	\$ 2,893	\$ 7,930	\$ 15,000	\$ 6,000	\$ (1,930)	-24.3%
Office Supplies	\$ 5,862	\$ 4,024	\$ 6,000	\$ 6,000	\$ 1,976	49.1%
Printing & Forms	\$ 3,158	\$ 5,881	\$ 7,000	\$ 7,000	\$ 1,119	19.0%
Annual Reports	\$ 9,928	\$ 9,045	\$ 10,000	\$ 10,000	\$ 955	10.6%
Uniforms & Clothing	\$ 250	\$ 300	\$ 350	\$ 350	\$ 50	16.7%
Auto Mileage	\$ 300	\$ -	\$ 850	\$ 850	\$ 850	#DIV/0!
Dues/ Memberships & Subscriptions	\$ 435	\$ 448	\$ 500	\$ 500	\$ 52	11.6%
Total: Expense Costs	\$ 67,281	\$ 107,376	\$ 116,900	\$ 103,200	\$ (3,976)	-3.9%
Total: Town Clerk Costs	\$ 262,269	\$ 306,993	\$ 320,039	\$ 306,339	\$ (454)	-0.2%

Town Clerk Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE + / (-)
Town Clerk	Town Clerk	1	1	1	0
	Assistant Town Clerk	1	1	1	0
	Department Assitant	<u>2</u>	<u>2</u>	<u>2</u>	<u>0</u>
Total		4	4	4	0

CONSERVATION DEPARTMENT

MISSION STATEMENT

The Conservation Department and Conservation Commission are charged with implementing the Massachusetts Wetlands Protection Act, a law that requires landowners and project proponents to file with the Commission whenever their activities occur in or in close proximity to rivers, streams, lakes, ponds, wetlands, floodplains and riparian areas. In addition, the Conservation Department and Commission administer the North Andover Wetlands Protection Bylaw, acquire and manage conservation land, launch environmental education programs and provide leadership and advice on the protection of natural resources in the community.

SIGNIFICANT CHANGES

There are no significant changes to the Conservation Department this fiscal year. A slight increase in Stormwater Permitting is requested as the new EPA MS4 permit is expected to be issued in FY16. An additional amount is requested in outside professional services to finalize changes to the stormwater section of the wetland bylaw regulations (previously funded by planning).

PRIOR YEAR ACCOMPLISHMENTS

- The Conservation Department continued work on the Open Space Plan update with the assistance of Brown Walker Planners of Newburyport. The plan is taking longer than expected due to extensive research being done to verify that the list of town owned parcels, conservation restrictions, easements, Chapter 61 lands, PRD protected lands, and other relevant parcels is accurate and up to date. A draft plan was reviewed and stakeholders provided comments. Once mapping by MVPC is complete the plan will be ready for submission to the EOEEA for review.
- The Conservation Department processed twenty-nine (29) Notices of Intent, twenty two (22) Requests for Determinations, twelve (12) Small Projects, five (5) Abbreviated Notices of Resource Area Delineation, sixty seven (67) Certificates of Compliance, one extension and seven (7) amendments/modifications for a total of 143 Permits, 39 more permits than were processed in 2013. In addition, numerous Emergency Certifications and Enforcement Orders were issued.
- The Conservation Department received a Community Forest Stewardship Implementation Grant in the amount of \$11,790 to conduct forest stewardship activities at Osgood Hill. Activities include invasive species removal, marking of and education about “legacy trees” on the property, marking and selective harvesting within a demonstration timber stand improvement area and associated outreach and education. All work associated with the grant must be completed by June 30, 2015.

- Significant Projects included: completion of permitting for the Riding Academy 40B with Conservation Restriction; ongoing construction of the Regency Place and Stanton Woods subdivisions; ongoing construction of 40B developments at Merrimack Condominiums and the near completion of construction of the Meadows (Oakridge Village/Maplewood Reserves); permitting for new digester containment at GLSD; completion of construction of Pentucket Bank in the Butcher Boy Plaza; new single family homes constructed on Great Pond Road; various town sewer and roadway projects; installation of a new parking lot and stormwater improvements at the North Andover Country Club; foundation restoration at the Parson Barnard Barn and construction of additional parking; installation of a dry hydrant at Windrush Farm; Eagle Scout projects approved including boardwalks at Weir Hill, Rolling Ridge, and Granville Lane as well as wood duck box installation at a private property on Foster Street; ongoing drainage work at Royal Crest.
- NPDES Public Education: installed dog waste station at various open space properties in coordination with DPW; marked catch basins at the High School with the High School Environmental Club.
- Open Space efforts included: volunteer event to remove invasive species at Osgood Hill; forest stewardship walk at Osgood Hill; trail marking at Windrush Farm; trail maintenance at Foster Farm, Bruin Hill, Mazurenko Farm and the Shawsheen River Trail by Friends of North Andover Trails (FONAT); conservation monitoring at Town Farm.

FY16 GOALS

- Work with Windrush Farm and FONAT to provide new/improved trail access and connections to adjacent open space properties by June of 2016.
- Continue public education for NPDES MS4 permitting requirements and tracking of ongoing projects (year-round through May of 2016).
- Post winter, evaluate catch basin marking at high school and continue marking basins at middle and elementary schools by December 2015 with possible additional marking in Spring of 2016.
- Provide more activities (scavenger hunt, educational walks/hikes) at open space properties to encourage use (year round).
- Pursue grant funding to provide new Forest Management Plan for Windrush Farm by December 2015.
- Continue implementation of Forest Management Plan for Osgood Hill (currently underway and ongoing as funding allows).

- Using guidance and inventory in newly updated Open Space Plan, design monitoring program for Conservation Restrictions in accordance with the Massachusetts Conservation Restriction Stewardship Manual (March 2016).
- Assist FONAT in producing/printing a North Andover Trails Guide by December 2015, dependent on FONAT preparation of maps and materials.
- Prepare for and facilitate the transition to Munis permitting software, leveraging the software to expedite permit awards, provide more transparency to the permitting process, and improve customer access to previously awarded permits. Software development efforts to begin February 2015 with and expected implementation date of November 2015.
- MA Record Retention Policy
 - Complete and submit required state Record Retention forms and purge approved documents by October 1, 2015.
 - Begin electronic data storage of all new property records July 1, 2015 (subject to required license and equipment).

Conservation Budget						
Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Requested	2016 ADOPTED	Dollar Change	Percent Change
Personnel						
Salaries, Full-Time	\$ 82,228	\$ 105,411	\$ 106,447	\$ 106,447	1,036	1.0%
Wages, Part-Time	\$ -	\$ 158	\$ -	\$ -	(158)	
Longevity	\$ 938	\$ 1,350	\$ 1,350	\$ 1,350	-	0.0%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	-	
Total: Personnel Costs	\$ 83,165	\$ 106,919	\$ 107,797	\$ 107,797	\$878	0.8%
Expenses						
Advertising	\$ 119	\$ 155	\$ 200	\$ 200	45	29.3%
Conferences and Meetings	\$ 716	\$ 1,390	\$ 1,950	\$ 1,950	560	40.3%
Telephone	\$ 1,424	\$ 1,581	\$ 1,650	\$ 1,650	69	4.4%
Postage Services	\$ 300	\$ 200	\$ 400	\$ 400	200	100.0%
Storm Water Permitting	\$ 1,743	\$ 1,065	\$ 2,000	\$ 2,000	935	87.8%
Office Supplies	\$ 86	\$ 66	\$ 300	\$ 300	234	353.1%
Printing & Forms	\$ -	\$ 1,200	\$ 1,250	\$ 1,250	50	4.2%
Vehicle Fuel	\$ 603	\$ 472	\$ 750	\$ 750	278	58.9%
Uniforms & Clothing	\$ 202	\$ 281	\$ 400	\$ 400	119	42.4%
Publications & Maps	\$ -	\$ -	\$ 175	\$ 175	175	#DIV/0!
Auto Mileage	\$ 107	\$ 267	\$ 650	\$ 650	383	143.7%
Dues/ Memberships & Subscriptions	\$ 770	\$ 765	\$ 1,150	\$ 1,150	385	50.3%
Total: Expense Costs	\$ 6,070	\$ 7,441	\$ 10,875	\$ 10,875	\$3,434	46.1%
Total: Conservation Costs	\$ 89,236	\$ 114,361	\$ 118,672	\$ 118,672	\$4,311	3.8%

Conservation Personnel Listing					
Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE +/-
General Fund					
Conservation	Conservation Administrator	1	1	1	0
	Department Assistant	<u>0.5</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		1.5	2	2	0
Revolving Fund					
Conservation	Field Inspector	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		1	1	1	0

Community Development

MISSION STATEMENT

The Community and Economic Development Division's mission is to provide exceptional customer service, uphold the public interest and advance the community vision through personalized services, citizen involvement, planning for the future and a commitment towards sustainability.

SIGNIFICANT CHANGES

A significant change for the office was the departure of Curt Bellavance in December 2014 and the hiring of Eric Kfoury as the new Director in January 2015.

This past year we continued to see an increase in construction activities throughout the town; building upon the slow increase in land development activity over the prior three years by the real estate market and development community. A lot of activity has occurred at the former Davis & Furber West Mill, which RCG LLC purchased in early 2014. RCG is working to establish a master plan for the property, as well as to attract new tenants to offset the loss of its largest tenant, Converse Inc., which is anticipated to move its headquarters to Boston in April 2015.

Merrimack College received approval to construct new student residences as part of its efforts to attract more students and enhance its campus setting.

Lastly, the Osgood corridor continued to see activity with the construction and opening of a new Dunkin Donuts restaurant, Pentucket Bank branch location at the Butcher Boy Plaza, and continued development around smaller retail plazas.

PRIOR YEAR ACCOMPLISHMENTS

- **ECONOMIC DEVELOPMENT:** North Andover saw some expansion activity in the past year. The following businesses either expanded or moved their business to North Andover:
 - Amastan Holdings, research and development company, Commerce Way
 - Pentucket Bank, office and branch location, Osgood corridor
 - Acelleron, medical products and care, West Mill
 - Strolid, automobile financial services, 1600 Osgood
 - Panel Claw, expansion at 1600 Osgood
 - ACT Theatre Company, 1600 Osgood
 - ShredaBox, 1600 Osgood
 - Dunkin Donuts, Osgood corridor

- This office worked with the new owners of the West Mill property, RCG LLC, to assist in their site planning for future development of the property. It worked with the Economic Development Council and the Merchants Association to conduct the town's fifth "Restaurant Week", which helped showcase the variety of restaurants that provide North Andover residents a selection of culinary cuisines.
- The economic development website was updated and we assisted with the redesigned Merrimack Valley Means Business website.
- **SELF ASSESSMENT TOOL:** The office worked with the Dukakis Center for Urban and Regional Policy on developing a self-assessment of North Andover. The format includes over 250 questions that examine the community's strengths, weaknesses, opportunities and threats.
- **MANAGEMENT:** Filled vacant positions and modified the organizational structure within the division. There are a total of 15 FTE, 6 PTE, 4 senior volunteers, 3 interns, 4 special employees and approximately 6 different consultants serving the division.
- **REGIONAL:** Community Development has been selected to serve on several regional boards including the Metropolitan Planning Organization (MPO) where North Andover represents Region 4 (NA, Andover and Methuen). Our office also serves as the Town Manager's representative to the Merrimack Valley Regional Transit Authority (MVRTA) Advisory Board.

Lastly, we assist the regional planning agency, Merrimack Valley Planning Commission, on a variety of projects and plans.

FY16 GOALS

As it stands now, the goals of the Community and Economic Development office are primarily on-going in nature. In other words, many efforts will pick-up from prior fiscal year(s) and continue throughout FY16. For instance, the office will continue to:

- promote business retention and expansion by supporting and assisting new business start-ups and seeking plans and programs for better recruitment of new enterprises to North Andover;
- promote cultural and quality of life activities that will have a synergetic effect on both community and economic development issues;
- seek ways to encourage a diversity of retail and commercial development within North Andover's business districts;

- advance the diversity of housing throughout the community by facilitating the permitting process for development projects throughout 2015-2016; and
- promote additional regional collaboration among departments and regional organizations.

With the hiring of a new Director in January 2015, the objective is to have a set of specific priorities and goals – with associated tasks and achievable timeframes for implementation - set and ready by July 2015. Among those to be in place are a definitive set of priority tasks and action items to:

- establish a clear vision for the redevelopment of the Route 125 Corridor - taken from the recommendations of the UMASS Amherst - Center for Economic Development's Oxford Corridor Redevelopment Plan;
- put in place the self-assessment tool established for the Town through the Dukakis Center for Urban and Regional Policy report;
- enhance the downtown business, institutional (government) and retail sectors and, additionally, identify opportunities to establish it as an entertainment and cultural district;
- establish a formal partnership plan with the Lawrence Municipal Airport leadership to leverage economic development both on and off airport property; and
- a set of recommendations to increase and enhance the utilization of the Stevens Estate as both an economic driver and a community asset to serve Town residents.

Finally, Community and Economic Development is the division manager for Building, Planning, Conservation, Health, Zoning and Stevens Estate departments. In order to expedite permit awards, provide more transparency to the permitting process, and improve customer access to previously awarded permits, this office will oversee and facilitate the transition to Munis permitting software. Software development efforts will begin February 2015 and carry over into FY16 with an expected implementation date of November 2015. Also part of this effort is to identify a record retention plan for all departments that is in compliance with Massachusetts Record Retention Policy. Specific tasks include:

- Complete and submit required state Record Retention forms and begin purging of approved documents by October 1, 2015.
- Begin electronic data storage of all new property records July 1, 2015 (subject to required license and equipment).

Community Development Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Requested	2016 ADOPTED	Dollar Change	Percent Change
Personnel						
Salaries, Full-Time	\$ 144,469	\$ 189,713	\$ 195,691	\$ 195,691	\$ 5,978	3.2%
Longevity	\$ 1,650	\$ 1,344	\$ 1,650	\$ 1,650	\$ 306	22.8%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 146,119	\$ 191,057	\$ 197,341	\$ 197,341	\$ 6,284	3.3%
Expenses						
Utilities	\$ 20,760	\$ 20,760	\$ 18,545	\$ 18,545	\$ (2,215)	-10.7%
Repairs & Maintenance	\$ 841	\$ 746	\$ 1,500	\$ 1,500	\$ 754	101.0%
Equipment Rental/ Lease	\$ 4,807	\$ 5,074	\$ 5,895	\$ 5,895	\$ 821	16.2%
Outside Professional Services	\$ 15,874	\$ 25,139	\$ 30,500	\$ 20,500	\$ (4,639)	-18.5%
Advertising	\$ 960	\$ 1,837	\$ 1,000	\$ 1,000	\$ (837)	-45.6%
Conferences and Meetings	\$ 1,411	\$ 1,276	\$ 1,750	\$ 1,750	\$ 475	37.2%
Training & Education	\$ 382	\$ 3,744	\$ 500	\$ 500	\$ (3,244)	-86.6%
Telephone	\$ 892	\$ 586	\$ 900	\$ 900	\$ 314	53.7%
Postage Services	\$ 710	\$ 592	\$ 650	\$ 650	\$ 58	9.8%
Office Supplies	\$ 5,249	\$ 4,135	\$ 5,500	\$ 5,500	\$ 1,365	33.0%
Printing & Forms	\$ -	\$ 136	\$ 200	\$ 200	\$ 64	47.1%
Auto Mileage	\$ 1,284	\$ 1,664	\$ 2,300	\$ 2,300	\$ 636	38.2%
Dues/ Memberships & Subscriptions	\$ 908	\$ 1,252	\$ 2,050	\$ 2,050	\$ 798	63.7%
Other Charges & Expenses	\$ 692	\$ 2,050	\$ 2,000	\$ 2,000	\$ (50)	-2.4%
Lease of Offices/ Buildings	\$ -	\$ -	\$ 16,875	\$ 16,875	\$ 16,875	
Total: Expense Costs	\$ 54,769	\$ 68,992	\$ 90,165	\$ 80,165	\$ 11,173	16.2%
Total: Community Develop. Costs	\$ 200,888	\$ 260,049	\$ 287,506	\$ 277,506	\$ 17,457	6.7%

Community Development Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE +/-(-)
Community Development	Director	1	1	1	0
	Assistant Director	0	0	1	1
	Administrative Assistant	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		2	2	3	1

PLANNING

MISSION STATEMENT

The Planning Department of the Community and Economic Development Division advises the Town of North Andover, including the Board of Selectmen, the Town Manager, and all appointed Boards and Commissions, residents, the business community and the general public on current land use and development issues. The Planning Department also maintains the Zoning Bylaw and maps that provide the policy and regulatory basis for land use and development as mandated by State and local laws.

The Planning Department is committed to providing the community with high-quality, proactive services and programs to enhance the quality of life of the Town's residents, businesses and visitors, and to promote a well-designed, physically integrated, livable and prosperous community. The Department oversees all applications for Subdivisions, as well as Special Permits as required by the Zoning Bylaw.

SIGNIFICANT CHANGES

Peter Boynton joined the Planning Board in 2014 as an associate member. The Planning Board is fully staffed with five full-time members and one associate member.

Matthew Egge began serving as the Town Planner in August 2014, only to depart in January 2015. Also in August 2014 the Planning Assistant was promoted to Assistant Director of Community and Economic Development. A new Department Assistant, Virginia Wolstromer, was hired in January 2015.

PRIOR YEAR ACCOMPLISHMENTS

To date, for FY15, the Planning Board issued the following decisions:

- Site Plan Review Special Permits 5
- Watershed Special Permit 4
- Preliminary Subdivision 1
- Definitive Subdivision 2
- Downtown Overlay Special Permit 1
- Approval Not Required (ANR) 2

The Planning Department has served to assist the North Andover Affordable Housing Trust, advancing the Trust's outreach agenda through creation of a town website, adoption of a mission

statement, and development of a letter and Notice of Funding Availability to be distributed among developers of affordable housing.

The Planning Department has worked with the Town Manager's Office and Administrative Offices of the Merrimack Valley Regional Transportation Authority (MVRTA) to coordinate Commuter Bus service between North Andover and downtown Boston.

The Planning Department has been aided by the assistance of David Chen, who is working with the Community Development Offices through a fellowship administered by Merrimack College. David has provided valuable assistance identifying opportunities for the Affordable Housing Trust, gathering community feedback for the Commuter Bus Survey, and providing general community outreach expertise. The fellowship is expected to end in May 2015.

Long term department projects include:

- Ongoing coordination with the Merrimack Valley Regional Planning Agency.
- Creation of a Multi-Use Path to provide a recreational facility for walker and bicyclists throughout the town.
- On-going maintenance and updating of the Planning Department's Procedure Manual.
- Identification, execution, and completion of a successful affordable housing project leveraging funding provided through the Affordable Housing Trust.

FY16 GOALS

The Planning Department goals for FY16 include the following medium and long-term planning projects:

- Prepare for and facilitate the relocation of the Community and Economic Development Offices to the new location on Main Street by fall 2016.
- Prepare for and facilitate the transition to Munis permitting software, leveraging the software to expedite permit awards, provide more transparency to the permitting process, and improve customer access to previously awarded permits. Software development efforts to begin February 2015 with and expected implementation date of November 2015.
- MA Record Retention Policy:
 - Complete and submit required state Record Retention forms and purge approved documents by October 1, 2015.
 - Begin electronic data storage of all new property records July 1, 2015 (subject to required license and equipment).
- Preliminary efforts for a Multi-Use Path to be conducted by August 2015.
- Update Subdivision Regulations and Watershed Special Permit to make all regulations consistent with the new Stormwater Regulations required by the EPA and the town's NPDES (National Pollutant Discharge and Elimination System) permit. The review of the required

changes will occur September 2015 – December 2015 followed by a presentation to the Planning Board in January 2016.

- Work with the Affordable Housing Trust to implement plans to provide housing for “special needs” populations, including veterans, the disabled and the elderly. The Trust is exploring collaborations with local service providers to provide housing for these populations. This is an on-going effort.

Planning Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Requested	2016 ADOPTED	Dollar Change	Percent Change
Personnel						
Salaries, Full-Time	\$ 97,187	\$ 50,055	\$ 92,250	\$ 92,250	\$ 42,195	84.3%
Salaries - Part Time	\$ 372	\$ -	\$ -	\$ -	\$ -	
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	
Longevity	\$ 525	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 98,084	\$ 50,055	\$ 92,250	\$ 92,250	\$ 42,195	84.3%
Expenses						
Outside Professional Services	\$ 5,235	\$ 4,000	\$ 4,000	\$ 4,000	\$ -	0.0%
Advertising	\$ 619	\$ 1,749	\$ 2,000	\$ 2,000	\$ 251	14.3%
Conferences and Meetings	\$ 430	\$ 214	\$ 750	\$ 750	\$ 536	250.5%
Training & Education	\$ 75	\$ 342	\$ 400	\$ 400	\$ 58	17.0%
Telephone	\$ 690	\$ 740	\$ 700	\$ 700	\$ (40)	-5.5%
Postage Services	\$ 500	\$ 400	\$ 600	\$ 600	\$ 200	50.0%
Storm Water Permitting Mandate	\$ 1,000	\$ 600	\$ 1,000	\$ 1,000	\$ 400	66.7%
Office Supplies	\$ 393	\$ 217	\$ 500	\$ 500	\$ 283	130.9%
Printing & Forms	\$ 674	\$ 358	\$ 500	\$ 500	\$ 142	39.7%
Uniforms & Clothing	\$ 125	\$ 111	\$ 175	\$ 175	\$ 64	57.0%
Publications & Maps	\$ 185	\$ 195	\$ 1,000	\$ 1,000	\$ 805	411.6%
Auto Mileage	\$ 426	\$ 45	\$ 600	\$ 600	\$ 556	1248.3%
Dues/ Memberships & Subscriptions	\$ 490	\$ -	\$ 600	\$ 600	\$ 600	#DIV/0!
Other Charges & Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Expense Costs	\$ 10,841	\$ 8,972	\$ 12,825	\$ 12,825	\$ 3,853	43.0%
Total: Planning Cost	\$ 108,925	\$ 59,027	\$ 105,075	\$ 105,075	\$ 46,048	78.0%

Planning Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE + / (-)
Planning	Town Planner	1	1	1	0
	Department Assistant	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		2	2	2	0

BOARD OF APPEALS

MISSION STATEMENT

The Board of Appeals is authorized to hear appeals from and review any order or decision made by the Zoning Enforcement Officer with respect to the Town's Zoning Regulations. The Board is authorized to grant either a use variance, which allows the applicant to use the land for a purpose not otherwise allowed or prohibited by the regulations, or to grant an area variance, which allows the applicant to vary the dimensional or physical requirements of the applicable zoning regulation (i.e. setback distance).

SIGNIFICANT CHANGES

There were no significant changes in the Board of Appeals department in the past year.

PRIOR YEAR ACCOMPLISHMENTS

- This past year the Board granted a comprehensive permit for the Riding Academy Preserve, an affordable housing project consisting of 196 units.
- The Board of Appeals department has managed the application process with improved customer service by guiding the applicant through the process and keeping an ongoing line of communication with the applicants, staff and Board Members.

FY16 GOALS

- Prepare for and facilitate the transition to Munis permitting software, leveraging the software to expedite permit awards, provide more transparency to the permitting process, and improve customer access to previously awarded permits. Software development efforts to begin February 2015 with and expected implementation date of November 2015.
- MA Record Retention Policy:
 - Complete and submit required state Record Retention forms and purge approved documents by October 1, 2015.
 - Begin electronic data storage of all new property records July 1, 2015 (subject to required license and equipment).

Board of Appeals

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Request	2016 ADOPTED	Dollar Change	Percent Change
Personnel						
Salaries Full-Time	\$ 35,791	\$ 29,115	\$ 20,680	\$ 20,680	\$ (8,435)	-29.0%
Longevity	\$ -	\$ 525	\$ 525	\$ 525	\$ -	0.0%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 35,791	\$ 29,640	\$ 21,205	\$ 21,205	\$ (8,435)	-28.5%
Expenses						
Advertising	\$ -	\$ -	\$ 150	\$ 150	\$ 150	#DIV/0!
Training & Education	\$ 65	\$ -	\$ 200	\$ 200	\$ 200	#DIV/0!
Postage Services	\$ 898	\$ 609	\$ 800	\$ 800	\$ 191	31.3%
Office Supplies	\$ 95	\$ -	\$ 100	\$ 100	\$ 100	#DIV/0!
Printing & Forms	\$ -	\$ 150	\$ -	\$ -	\$ (150)	
Uniforms & Clothing	\$ 125	\$ -	\$ 175	\$ 175	\$ 175	#DIV/0!
Auto Mileage	\$ 17	\$ -	\$ 50	\$ 50	\$ 50	#DIV/0!
Total: Expense Costs	\$ 1,200	\$ 759	\$ 1,475	\$ 1,475	\$ 716	94.3%
Total: Board of Appeals Costs	\$ 36,991	\$ 30,399	\$ 22,680	\$ 22,680	\$ (7,719)	-25.4%

Board of Appeals Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE +/-(-)
Board of Appeals	Department Assistant	<u>1</u>	<u>1</u>	<u>0.5</u>	<u>-0.5</u>
Total		1	1	0.5	-0.5

POLICE DEPARTMENT

MISSION STATEMENT

The North Andover Police Department is committed to providing the highest level of public safety and service to the citizens and business people within the community. The members of the Department are empowered to enforce the laws of the Commonwealth of Massachusetts and the By-laws of the Town of North Andover to ensure that the peace and tranquility of our neighborhoods are maintained and that crime and the fear of crime are reduced. We emphasize integrity, honesty, impartiality and professionalism from our members in order to create an environment that values differences and fosters fairness and flexibility in our mission. We encourage citizen input and interaction that will assist us in developing sound partnerships between the community and the police. Working together we can protect our future and enhance the quality of life for everyone within the town.

SIGNIFICANT CHANGES

The North Andover Police Department negotiated with the communications officers union to implement part time communications officers that can work per diem. This is expected to eliminate shifts running with 1 communications officer. In light of the ongoing substance abuse epidemic, Officers have been trained in the identification of overdoses and administration of nasal naloxone (Narcan). In reviewing the field training program, additional training hours for reserve officers are being implemented to better prepare them for the duties and responsibilities of their position. Pursuant to the new Town by-law, the new permitting process for licensing of liquor establishments and solicitors has been implemented. We now conduct background checks on all of these applicants.

PRIOR YEAR ACCOMPLISHMENTS

- Active inter-departmental cross training with the police and fire department.
- Active Inter-departmental Cross-training with school administration
- Firefighter now a special police officer for Arson Investigations
- Four recruits enrolled in February 2015 Academy
- North Andover CAM now has an emergency operations center available inside the community room
- Anti-Crime unit reinstated
- Multiphase cooperative technology phase with school department completed with live video feed available
- Multiphase cooperative technology with Lawrence Municipal Airport installing cameras at the airport for security purposes

FY16 GOALS

- To develop and maintain programs aimed at crime prevention and traffic management through the use of directed patrols, selective enforcement, and utilization of the anti-crime unit. Identified problems and problem areas of concern will be targeted.

- To implement Phase 1 of the North Andover Public Safety Fiber network. This will begin to phase out the antiquated copper line and replace with fiber optic communication abilities for cruisers, fire apparatus, and 911 throughout town.
- To continue to find new and innovative ways to plan for and respond to calls for service regarding the ongoing substance abuse epidemic including the use of Narcan
- To begin a three year plan to replace marked and unmarked police vehicles.
- Work with the newly established Merrimack Valley Police Recruit Academy, sponsored by the Massachusetts Criminal Justice Training Council, to train new officers and maintain preferred Full-Time staffing
- Increase the number of In-House certified instructors to assist with training and as an available resource to train academy recruits and veteran officers
- To find new and innovative methods for handling residential and business complaints with the changing laws regarding marijuana and the effect it has on the quality of life
- To continue to support the North Andover High School Student Police Academy
- Transfer Information Technology maintenance to Information Technology Budget

Police Department Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Request	2016 ADOPTED	Dollar Change	Percent Change
Salaries, Full-Time	\$ 2,745,090	\$ 2,857,743	\$ 2,975,202	\$ 2,975,202	\$ 117,459	4.1%
Salaries, Dispatchers	\$ 310,429	\$ 311,659	\$ 409,821	\$ 409,821	\$ 98,162	31.5%
School Crossing Guards	\$ 37,997	\$ 37,106	\$ 38,896	\$ 38,896	\$ 1,791	4.8%
Reserve Police Officers	\$ 26,696	\$ 12,066	\$ 35,000	\$ 35,000	\$ 22,934	190.1%
Salaries, Part-Time	\$ 4,639	\$ 16,531	\$ 26,216	\$ 26,216	\$ 9,685	58.6%
K9 Care	\$ 1,616	\$ 1,636	\$ 2,035	\$ 2,035	\$ 399	24.4%
Overtime	\$ 74,246	\$ 86,044	\$ 123,448	\$ 123,448	\$ 37,404	43.5%
Dispatcher Overtime	\$ 43,734	\$ 46,761	\$ 66,280	\$ 66,280	\$ 19,519	41.7%
NEMLEC Overtime	\$ 1,655	\$ 1,339	\$ 1,450	\$ 1,450	\$ 111	8.3%
Longevity	\$ 3,200	\$ 4,825	\$ 4,825	\$ 4,825	\$ -	0.0%
Holiday Pay	\$ 56,463	\$ 63,075	\$ 67,334	\$ 67,334	\$ 4,259	6.8%
Other Pay	\$ -	\$ 9,100	\$ 40,950	\$ 40,950	\$ 31,850	350.0%
Shift Differential, Dispatchers	\$ 15,157	\$ 14,768	\$ 18,356	\$ 18,356	\$ 3,589	24.3%
Sick Time Buy Back	\$ -	\$ 7,141	\$ 8,332	\$ 8,332	\$ 1,191	16.7%
Vacation Time Buy Back	\$ -	\$ 1,046	\$ 1,046	\$ 1,046	\$ (0)	0.0%
Holiday Overtime	\$ 42,835	\$ 31,193	\$ 42,774	\$ 42,774	\$ 11,581	37.1%
Personal Day Overtime	\$ 28,567	\$ 19,270	\$ 19,588	\$ 19,588	\$ 318	1.7%
Vacation Leave Overtime	\$ 103,312	\$ 99,490	\$ 91,582	\$ 91,582	\$ (7,908)	-7.9%
Sick Leave Overtime	\$ 67,171	\$ 37,618	\$ 46,222	\$ 46,222	\$ 8,604	22.9%
Injury Pay Overtime	\$ 4,942	\$ 8,836	\$ 11,193	\$ 11,193	\$ 2,357	26.7%
Training / Conference Overtime	\$ 46,615	\$ 80,301	\$ 57,046	\$ 57,046	\$ (23,255)	-29.0%
Court Overtime	\$ 22,120	\$ 26,190	\$ 40,000	\$ 40,000	\$ 13,810	52.7%
Announcement of Retirement	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 3,636,485	\$ 3,773,738	\$ 4,127,596	\$ 4,127,596	\$ 353,858	9.4%
Electricity	\$ 55,000	\$ 60,163	\$ 55,000	\$ 55,000	\$ (5,163)	-8.6%
Heating Fuel	\$ 18,377	\$ 13,909	\$ 20,235	\$ 20,235	\$ 6,326	45.5%
Software	\$ 37,141	\$ 38,790	\$ 42,262	\$ 42,262	\$ 3,472	9.0%
Water	\$ 3,913	\$ 2,330	\$ 6,839	\$ 6,839	\$ 4,509	193.6%
Repairs & Maintenance	\$ 38,621	\$ 41,784	\$ 32,850	\$ 32,850	\$ (8,934)	-21.4%
Radio repair & maintenance	\$ 23,262	\$ 14,882	\$ 18,733	\$ 18,733	\$ 3,851	25.9%
Vehicle Maintenance	\$ 2,663	\$ 1,807	\$ 3,700	\$ 3,700	\$ 1,893	104.7%
Equipment Rental/ Lease	\$ 9,954	\$ 11,956	\$ 15,554	\$ 15,554	\$ 3,598	30.1%
Outside Professional Services	\$ 7,662	\$ 2,610	\$ 11,500	\$ 11,500	\$ 8,890	340.6%
Advertising	\$ 450	\$ -	\$ 500	\$ 500	\$ 500	#DIV/0!
Special Assessment (NEMLEC)	\$ 4,825	\$ 4,825	\$ 4,825	\$ 4,825	\$ -	0.0%
Training & Education	\$ 26,755	\$ 31,722	\$ 49,140	\$ 49,140	\$ 17,418	54.9%
Telephone	\$ 28,527	\$ 30,682	\$ 30,525	\$ 30,525	\$ (157)	-0.5%
Postage Services	\$ 2,420	\$ 2,341	\$ 2,600	\$ 2,600	\$ 259	11.1%
K-9 Expenses	\$ 2,162	\$ 3,210	\$ 4,200	\$ 4,200	\$ 990	30.8%
Office Supplies	\$ 11,773	\$ 10,111	\$ 15,684	\$ 15,684	\$ 5,573	55.1%
Materials & Supplies	\$ 948	\$ 283	\$ 25,283	\$ 25,283	\$ 25,000	8842.8%
Printing & Forms	\$ 3,223	\$ 4,028	\$ 2,237	\$ 2,237	\$ (1,791)	-44.5%
Vehicle Fuel	\$ 104,483	\$ 86,943	\$ 130,000	\$ 130,000	\$ 43,057	49.5%
Guns & Ammo	\$ 14,231	\$ 57,233	\$ 22,152	\$ 22,152	\$ (35,081)	-61.3%
Uniforms & Clothing	\$ 59,064	\$ 57,192	\$ 69,064	\$ 69,064	\$ 11,872	20.8%
Dues/ Memberships & Subscriptions	\$ 8,177	\$ 7,299	\$ 9,949	\$ 9,949	\$ 2,650	36.3%
Other Charges & Expenses	\$ 40,892	\$ 19,553	\$ 1,500	\$ 1,500	\$ (18,053)	-92.3%
Animal Control	\$ 2,964	\$ 1,716	\$ 5,150	\$ 5,150	\$ 3,434	200.1%
Capital Purchases >\$5,000	\$ -	\$ -	\$ 45,000	\$ 45,000	\$ 45,000	
Vehicles	\$ 95,909	\$ 112,343	\$ 101,673	\$ 101,673	\$ (10,670)	-9.5%
Total: Expense Costs	\$ 603,398	\$ 617,711	\$ 726,155	\$ 726,155	\$ 108,444	17.6%
Total: Police Costs	\$ 4,239,883	\$ 4,391,448	\$ 4,853,751	\$ 4,853,751	\$ 462,303	10.5%

Police Personnel Listing					
Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE +/(-)
Police	Chief of Police	1	1	1	0
	Lieutenant	2	2	2	0
	Sergeants	8	8	8	0
	Patrol Officers	29	29	29	0
	Administrative Service Director	1	1	1	0
	Community Service	1	1	1	0
	Administrative Secretary	1	1	1	0
	Department Assistant	1	1	1	0
	Lead Dispatcher	1	1	1	0
	Community Officers	8	8	8	0
Total		53	53	53	0

FIRE DEPARTMENT

MISSION STATEMENT

The North Andover Fire Department is an organization dedicated to the protection and preservation of life and property, through aggressive fire suppression, fire prevention, emergency medical services, public education, hazardous materials control and containment, the mitigation of other disasters both natural and manmade, and assisting the public in all areas.

SIGNIFICANT CHANGES

As a result of transfers and retirements, four new firefighters were hired this past Fiscal Year. In addition, funding was secured for the new Fire Headquarters, for which a groundbreaking ceremony was held on November 25, 2014

PRIOR YEAR ACCOMPLISHMENTS

- Purchased ten (10) new SCBA air bottles as part three of the three year plan.
- Purchased eight (8) new SCBA Harnesses as part of a three year plan
- New SCBA Face pieces purchased bringing all firefighters compliant with the new NFPA standards
- New Ambulance placed in service at Fire Headquarters

FY16 GOALS

- Second year of a three year plan to purchase new SCBA Harnesses. These eight (8) units will be purchased as of July 1, 2015 and I expect delivery no later than 9/30/2015
- Fit test for all fire department personnel. This will be accomplished by December 31, 2015.
- Continuation of a protective gear replacement program with the purchase of nine (9) new sets of gear. The nine (9) new sets will all be purchased no later than April 1, 2016
- Purchase twenty (20) new voice emitters which will be used with the new SCBA Face pieces. These will be purchased by September 1, 2015
- Transition to the new Fire Headquarters. Expected occupancy to be November / December 2015.

Fire Department Budget

Expense Line Item			2016				Dollar Change	Percent Change
	2014	2015	Dept	2016				
	ACTUAL	ACTUAL	Requested	ADOPTED				
Personnel								
Salaries, Full-Time	\$ 3,127,407	\$ 3,195,556	\$ 3,306,510	\$ 3,306,510	\$ 110,954	3.5%		
Overtime	\$ 115,463	\$ 102,305	\$ 72,837	\$ 72,837	\$ (29,468)	-28.8%		
Longevity	\$ 2,250	\$ 2,250	\$ 2,250	\$ 2,250	\$ -	0.0%		
Holiday Pay	\$ 250,796	\$ 258,467	\$ 294,538	\$ 294,538	\$ 36,071	14.0%		
Academic Pay	\$ 39,500	\$ 55,867	\$ 38,000	\$ 38,000	\$ (17,867)	-32.0%		
Other Pay	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ -	0.0%		
Sick Time Buy Back	\$ -	\$ 7,600	\$ 7,600	\$ 7,600	\$ 0	0.0%		
Personal Day Overtime	\$ 77,651	\$ 73,454	\$ 92,639	\$ 92,639	\$ 19,185	26.1%		
Vacation Leave Overtime	\$ 279,042	\$ 303,622	\$ 303,184	\$ 303,184	\$ (438)	-0.1%		
Sick Leave Overtime	\$ 144,983	\$ 104,740	\$ 103,355	\$ 103,355	\$ (1,385)	-1.3%		
Injury Leave Overtime	\$ 30,546	\$ 65,926	\$ 40,631	\$ 40,631	\$ (25,295)	-38.4%		
Announcement of Retirement	\$ -	\$ -	\$ -	\$ -	\$ -			
EMT Pay	\$ 146,849	\$ 165,660	\$ 160,910	\$ 160,910	\$ (4,749)	-2.9%		
Total: Personnel Costs	\$ 4,230,488	\$ 4,351,446	\$ 4,438,454	\$ 4,438,454	\$ 87,008	2.0%		
Expenses								
Electricity	\$ 13,356	\$ 14,923	\$ 16,275	\$ 15,500	\$ 577	3.9%		
Heating Fuel	\$ 9,637	\$ 8,544	\$ 12,600	\$ 12,000	\$ 3,456	40.5%		
Water	\$ 3,295	\$ 2,809	\$ 3,400	\$ 3,400	\$ 591	21.0%		
Repairs & Maintenance	\$ 25,488	\$ 23,802	\$ 37,000	\$ 37,000	\$ 13,198	55.5%		
Radio & Transmitter	\$ 465	\$ 897	\$ 5,000	\$ 5,000	\$ 4,103	457.3%		
Vehicle Maintenance	\$ 40,535	\$ 54,115	\$ 56,000	\$ 51,000	\$ (3,115)	-5.8%		
Equipment Rental/ Leases	\$ 2,376	\$ 2,473	\$ 2,500	\$ 2,500	\$ 27	1.1%		
Data Processing	\$ 5,495	\$ 5,650	\$ 6,000	\$ 6,000	\$ 350	6.2%		
Medical/ Physical Services	\$ 4,707	\$ 935	\$ 6,000	\$ 6,000	\$ 5,065	541.6%		
Contract Services	\$ 91,381	\$ 97,621	\$ 92,000	\$ 92,000	\$ (5,621)	-5.8%		
Training & Education	\$ 10,642	\$ 1,553	\$ 39,000	\$ 34,000	\$ 32,447	2088.8%		
Ambulance Training/ Education	\$ 8,303	\$ 14,483	\$ 22,450	\$ 22,450	\$ 7,967	55.0%		
Telephone	\$ 11,372	\$ 12,014	\$ 12,000	\$ 12,000	\$ (14)	-0.1%		
Postage	\$ 482	\$ 373	\$ 600	\$ 600	\$ 227	60.7%		
Office Supplies	\$ 2,884	\$ 3,247	\$ 3,000	\$ 3,000	\$ (247)	-7.6%		
Printing & Forms	\$ 947	\$ 1,117	\$ 1,020	\$ 1,020	\$ (97)	-8.7%		
Vehicle Supplies	\$ 0	\$ 3,332	\$ 1,500	\$ 1,500	\$ (1,832)	-55.0%		
Ambulance	\$ 23,376	\$ 36,701	\$ 37,000	\$ 34,000	\$ (2,701)	-7.4%		
Vehicle Fuel	\$ 41,621	\$ 38,397	\$ 41,000	\$ 41,000	\$ 2,603	6.8%		
Protective Equipment	\$ 39,424	\$ 30,381	\$ 37,000	\$ 37,000	\$ 6,619	21.8%		
Uniforms & Clothing	\$ 47,601	\$ 47,912	\$ 46,400	\$ 46,400	\$ (1,512)	-3.2%		
Auto Mileage	\$ 2,149	\$ -	\$ 4,000	\$ 4,000	\$ 4,000			
Dues/ Memberships & Subscription	\$ 479	\$ 2,239	\$ 4,700	\$ 2,700	\$ 461	20.6%		
Other Charges & Services	\$ 4,969	\$ 2,561	\$ 2,000	\$ 2,000	\$ (561)			
Fire Alarm	\$ 10,036	\$ 18,778	\$ 21,773	\$ 15,000	\$ (3,778)	-20.1%		
Capital Outlay	\$ 9,180	\$ 88,704	\$ 50,000	\$ 50,000	\$ (38,704)	-43.6%		
Total: Expense Costs	\$ 410,200	\$ 513,562	\$ 560,218	\$ 537,070	\$ 23,508	4.6%		
Total: Fire Department Costs	\$ 4,640,688	\$ 4,865,008	\$ 4,998,672	\$ 4,975,524	\$ 110,516	2.3%		

Fire Department Personnel Listing					
Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE +/-
Fire	Fire Chief	1	1	1	0
	Fire Deputy Chief	0	1	1	0
	Firefighters	44	44	44	0
	Lieutenant	9	9	9	0
	Administrative Secretary	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		55	56	56	0

PUBLIC SAFETY SALARY RESERVE						
Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Requested	2016 Town Mgr ADOPTED	Dollar Change	Percent Change
Personnel						
Salary Reserve	\$208,714	\$270,476	\$0	\$158,840	\$ (111,636)	
Announcement of Retirement	\$0	\$0	\$0	\$135,000	\$ 135,000	
Total: Personnel Costs	\$208,714	\$270,476	\$0	\$293,840	\$23,364	8.6%
Expenses						
	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Expense Costs	\$0	\$0	\$0	\$0	\$0	
Total: Public Safety Salary Reserve	\$208,714	\$270,476	\$0	\$293,840	\$23,364	8.6%

BUILDING

MISSION STATEMENT

The Building Department is dedicated to exceptional customer service by assisting contractors and residents involved in a construction process to protect their health, safety, and welfare by reducing potential hazards of unsafe construction. We do this by providing the means to review, approve, and inspect construction to ensure that CMR state building code standards for materials and methods are used.

SIGNIFICANT CHANGES

There have been no significant changes in the Building Department for the past year.

PRIOR YEAR ACCOMPLISHMENTS

- Conducted inspections of previously uninspected and new facilities to ensure the safety of our citizens and increase building permit awareness.
- Educated and enforced the guidelines as stated in the 2012 International Energy Conservation Code.
- Continued education, as required, of contractors by building inspectors by ensuring contractors are aware of changes in International Building Codes, as stated in the 2009 IRC and 2009 IBC codes.
- Continued to enforce the Town of North Andover zoning bylaw.
- Continued enforcement of 521 CMR, Architectural Access Code, to satisfy handicap accessibility.

FY16 GOALS

- Identify abandoned buildings by February 2016, and work with the Attorney General's Office – Abandoned Property Initiative, Health, Police and Fire Departments as needed for property resolution.
- Prepare for and facilitate the transition to Munis permitting software, leveraging the software to expedite permit awards, provide more transparency to the permitting process, and improve

customer access to previously awarded permits. Software development efforts to begin February 2015 with and expected implementation date of November 2015.

Building Inspection Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Requested	2016 ADOPTED	Dollar Change	Percent Change
Personnel						
Salaries, Full-Time	\$ 169,934	\$ 171,308	\$ 211,206	\$ 211,206	\$ 39,898	23.3%
Wages, Part-Time	\$ 68,579	\$ 85,836	\$ 36,238	\$ 36,238	\$ (49,598)	-57.8%
Longevity	\$ 2,295	\$ 2,535	\$ 3,235	\$ 3,235	\$ 700	27.6%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 240,808	\$ 259,679	\$ 250,679	\$ 250,679	\$ (9,000)	-3.5%
Expenses						
Outside Professional Services	\$ 2,000	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	#DIV/0!
Conferences In State	\$ 1,036	\$ 840	\$ 1,500	\$ 1,500	\$ 660	78.6%
Training & Education	\$ 981	\$ 876	\$ 1,000	\$ 1,000	\$ 124	14.1%
Telephone	\$ 2,693	\$ 2,483	\$ 2,320	\$ 2,320	\$ (163)	-6.6%
Postage Services	\$ 200	\$ 200	\$ 200	\$ 200	\$ -	0.0%
Printing & Forms	\$ 1,463	\$ 1,745	\$ 2,000	\$ 2,000	\$ 255	14.6%
Vehicle Fuel	\$ 1,643	\$ 1,340	\$ 2,750	\$ 2,750	\$ 1,410	105.2%
Uniforms & Clothing	\$ 375	\$ 150	\$ 175	\$ 175	\$ 25	16.7%
Auto Mileage	\$ 5,328	\$ 5,046	\$ 5,000	\$ 5,000	\$ (46)	-0.9%
Dues/ Memberships & Subscriptions	\$ 385	\$ 500	\$ 800	\$ 800	\$ 300	60.0%
Other Charges & Expenses	\$ -	\$ 636	\$ 500	\$ 500	\$ (136)	
Vehicle	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Expense Costs	\$ 16,104	\$ 13,817	\$ 17,245	\$ 17,245	\$ 3,428	24.8%
Total: Building Code Costs	\$ 256,912	\$ 273,496	\$ 267,924	\$ 267,924	\$ (5,572)	-2.0%

Inspectional Services Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE + / (-)
Inspectional Services	Inspector of Building	1	1	1	0
	Building Inspector	1	1	1	0
	Electrical Insepector	0.8	0.8	0.8	0
	Plumbing/Gas Inspector	0.5	0.5	0.5	0
	Department Assistant	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		4.3	4.3	4.3	0

EMERGENCY MANAGMENT

MISSION STATEMENT

North Andover Emergency Management Agency's primary responsibility is to ensure the town's resilience to disasters. Our volunteer staffs of operations officers, communications officers and ancillary staff are committed to an all hazards approach to emergency management. We are partnered with federal, state and local government agencies. We aid and guide our community to rapidly recover from large and small disasters by responding to, assessing and mitigating hazards, enhancing preparedness, ensuring effective response, and building the capacity to recover.

SIGNIFICANT CHANGES

Transfer of apparatus to Emergency Management from Fire department.

Rehabilitation of Fire department ambulance 3 to transform the apparatus into Emergency Management car 20.

Upgrading the Steven's estate garage into functional quarters for Car 20

Meeting FCC Digital Radio equipment requirements.

PRIOR YEAR ACCOMPLISHMENTS

Started interior modernization of car 20 quarters at the Steven's estate

Continuing the multi-year build out of our public safety communications network.

Partially outfitting Emergency Management officers with uniforms.

Receiving regional equipment grant through NERAC to support all North Andover public safety agencies.

Expanding our resource support of the Police and Fire departments.

FY16 GOALS

To finish interior modernization of car 20 quarters at the Steven's estate.

To continue to complete the clothing outfits of our operations division personnel.

To address issues with our Emergency Management garage at the Steven's Estate.

To complete conversion of Car 20 by purchasing public safety communications equipment for interoperability.

To upgrade and install armature radio equipment (RACES) for Car 20.

Purchase exterior video monitoring system for Car 20.

Emergency Management Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Requested	2016 ADOPTED	Dollar Change	Percent Change
Personnel						
Wages Part-Time Director	\$ 5,331	\$ 5,424	\$ 5,464	\$ 5,464	\$ 40	0.7%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 5,331	\$ 5,424	\$ 5,464	\$ 5,464	\$ 40	0.7%
Expenses						
Radio & Transmitter	\$ 620	\$ 6,397	\$ 6,000	\$ 6,000	\$ (397)	-6.2%
Vehicle Maintenance	\$ 500	\$ 2,575	\$ 4,000	\$ 4,000	\$ 1,425	55.4%
Training & Education	\$ -	\$ -	\$ 61	\$ 61	\$ 61	#DIV/0!
Telephone	\$ 4,512	\$ 6,055	\$ 6,500	\$ 6,500	\$ 445	7.3%
Postage Services	\$ 147	\$ 147	\$ 150	\$ 150	\$ 3	2.0%
Office Supplies	\$ 246	\$ 186	\$ 250	\$ 250	\$ 64	34.5%
Uniforms & Clothing	\$ 13,599	\$ 5,546	\$ 8,550	\$ 8,550	\$ 3,004	54.2%
Other Charges & Expenses	\$ 5,445	\$ 4,937	\$ 3,000	\$ 3,000	\$ (1,937)	-39.2%
Capital Outlay	\$ -	\$ 9,600	\$ 7,500	\$ 7,500	\$ (2,100)	-21.9%
Total: Expense Costs	\$ 25,069	\$ 35,443	\$ 36,011	\$ 36,011	\$ 568	1.6%
Total: Emergency Management	\$ 30,400	\$ 40,868	\$ 41,475	\$ 41,475	\$ 607	1.5%

DIVISION OF PUBLIC WORKS – PUBLIC WORKS DEPT

MISSION STATEMENT

The Department of Public Works (DPW) mission is to provide professional quality maintenance, repair, construction services, and capital improvements while operating the following infrastructure: one hundred and fifty (150) miles of streets; approximately one hundred and seventy five (175) acres of parks, playgrounds, school grounds, the Town beach, the Town Common; all public shade trees; one hundred and fifty (150) miles of water mains; ninety (90) miles of sewer mains; twenty two (22) sewer lift stations; five (5) high lift water booster stations; and, maintain and fuel a fleet of over one hundred (100) vehicles. Further, the Department's mission is also to provide the highest quality drinking water by maintaining the Town's water supply, Lake Cochichewick, and by optimally operating the drinking water treatment plant, which delivers an average daily consumption of 3.2 million gallons and a yearly total of over a billion gallons. Providing uninterrupted solid waste and recycling removal is also a mission of the Department through a private hauler. Additionally, the DPW provides rapid response to all snow, ice and other inclement weather emergencies, as well as water and sewer breaks. The DPW enforces water, sewer and drainage by-laws, grants petitions of location for utilities, and maintains engineering records and GIS data. The Department's budget is divided between the General Fund and an Enterprise Fund, funded through sewer and water rates.

SIGNIFICANT CHANGES

The open Staff Engineer position was filled by Patrick Higgins. The position reports to both Town Engineer Gene Willis and Operations Manager Tim Willett. Patrick brings extensive experience in land surveying as well as engineering capabilities. Filling this position has provided valuable assistance to the Division's capacity to work on construction issues, drainage improvements, and utility installation oversight.

PRIOR YEAR ACCOMPLISHMENTS

- Completed over \$1M of roadway improvements on ten (10) different roadways. This included the re-grading of Middlesex Street from Second Street to the end, which improved drainage and pedestrian mobility. Another was the re-grading and drainage improvements on Osgood Street from Pleasant Street to the access road to the High School. The drainage work eliminated flooding which improved pedestrian mobility along Osgood Street.
- The Pavement Management Program that has been used over the past 5 years to develop priorities for roadway improvements was updated this year. All Town roads owned were inspected and rated. The 5-year CIP roadway improvement requests come out of this process.
- Funds were made available through a winter recovery program that the state funded for local repair of road damage from the past severe winters. The Department used the \$123,000 made

available to repair roadway structures, curbing, line striping and short sections of pavement throughout Town.

- Approximately \$60K of sidewalk improvements to existing sidewalks were completed.
- Steven's Beach was open all summer except for only one day at the start of the season. This is a significant reduction in closure rate over past years. There was extensive work done on aggressive public education program, clean up along the perimeter path, added barrels for disposal of animal waste, enforcement, and extensive monitoring. This was a coordinated effort by Conservation, Youth Services, Public Works, Health, Police, and the Trustees of the Reservation.
- At the 2014 Annual Town Meeting voters approved replacement of two major pieces of equipment that provides versatility within our fleet. These were delivered in late fall. One is a hoist body truck. This equipment allows the staff to be able to change bodies for different tasks and result in a more useful piece of equipment to be used throughout the year. The other is a heavy duty medium size dump truck that will be able to accomplish larger tasks without requiring expensive maintenance. The need for this type of equipment came from input of DPW staff that operate and maintain this equipment. Their input was sought and used to prepare requests for bid, to evaluate bids, and to make final decision on purchase.
- The street light improvements on High and Water Streets were designed, publicly bid, and a contract executed with the contractor. Construction of the period street lights similar to those in the Old Center will be completed in the spring.
- The Engineering Department is involved in major endeavors, along with the day-to-day requests for information from town boards, businesses, developers, and residents. The Department provided reviews, comments, and engineering input on various projects before the Planning Board, Board of Appeals, and Conservation Commission. In addition Engineering staff were instrumental in the following projects:
 - The Town Farm Athletic Field on Dale Street was completed and came on line in FY 15.
 - The major renovation of McEvoy Field that included 3 softball fields, restrooms, walking path, off street parking and landscaping was substantially completed in FY15 and is anticipated to come on line in FY 16.
 - Engineering continues to work with DOT and neighborhood residents on a grant for Safe Routes to Schools. The grant is approximately 1.3 million dollars and is 100% federally funded. It will pay for design and construction of: sidewalks on Greene St., Parker St. and school property, crosswalks, the realignment of the Greene Street intersection with Mass Ave, pavement rehabilitation and the addition of green spaces at the intersections.

FY 16 GOALS

- Pave an additional ten (10) roads by June, 2016.
- The design of the Peters Street drainage and roadway improvements is complete and filing for permits will occur in FY 16. State funds (chapter 90) or local funding will be sought for construction. This will eliminate flooding from storm events in the area, expand storage, and improve the area around Becky's Pond. If funding is available the work will be started in the summer of 2015 and completed in the spring of 2016.
- In FY 2016 the department will improve drainage structures in roads and improve culvert crossing where damage has occurred due to beaver activity. We estimate that 10 structures and two culverts will be improved. Budget funds of \$60,000 have been included in Capital Outlay under Streets and Sidewalks. The work will be completed by spring of 2016.
- As part of the budgetary process, the Department solicited input from staff, which has requested that work on roadway improvement projects be set aside to be done by our crews rather than outside contractors. The Department will work within the budget to accommodate this request. This will be undertaken throughout FY16.
- Based on input from operators and mechanics, the Department will evaluate the purchase of trucks that will be more versatile. The major need in the next year is to replace two of the medium size dump trucks which are the most used vehicle for day to day operations. I have included \$120,000 in the budget, which is based on recent quotes for a Ford F550 dump truck and an F350 dump truck, which includes with plow set up. The trucks will be in service in late fall 2015 or early spring 2016 depending on manufacture availability.
- The Town Engineer will continue to work with the Director to organize the department in terms of unifying databases, files, identification of project responsibilities, staffing, and budgets. With recent additions to staff, the Engineering Dept. is working toward adding more capabilities for project design. It is anticipated that this additional capacity will result in more in house design and construction reducing the need and associated cost for outside consultants and contractors.
 - It is anticipated that the Safe Routes to School Project on Greene and Parker Streets will be publicly bid and awarded in FY 15/FY 16 and completed in FY 16. This is dependent on Mass DOT schedules and funding.
 - Also, there are various intersections within Town that, due to increased traffic demands, may need to be improved. Engineering evaluation of these intersections will be done in FY 15 to develop a priority list. Preliminary design funds have been requested in the FY 16 budget. It is anticipated that the preliminary design portion of this project will be fall of 2015.

Public Works - Administration Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Requested	2016 ADOPTED	Dollar Change	Percent Change
Personnel						
Salaries, Full-Time	365,027	401,177	405,456	405,456	\$ 4,279	1.1%
Wages, Part-Time	-	-	-	-	\$ -	
Longevity	3,175	3,275	3,275	3,275	\$ -	0.0%
Salary Reserve	-	-	-	-	\$ -	
Total: Personnel Costs	\$368,202	\$404,452	\$408,731	\$408,731	\$4,279	1.1%
Expenses						
Equipment Rental/Lease	6,807	6,583	7,250	7,250	\$ 667	10.1%
Contracted Services	947	1,465	2,600	2,600	\$ 1,136	77.5%
Training & Education	2,574	4,297	4,000	4,000	\$ (297)	-6.9%
Telephone	5,465	5,655	6,100	6,100	\$ 445	7.9%
Postage	183	351	350	350	\$ (1)	-0.4%
Office Supplies	1,793	2,694	2,100	2,100	\$ (594)	-22.1%
Printing & Forms	1,284	275	550	550	\$ 275	100.0%
Uniforms & Clothing	1,113	300	800	800	\$ 500	166.7%
Auto Mileage	350	331	450	450	\$ 119	35.9%
Dues and Subscriptions	-	218	250	250	\$ 33	14.9%
Other Charges & Expense	533	213	250	250	\$ 37	17.6%
Total: Expense Costs	\$21,048	\$22,382	\$24,700	\$24,700	\$2,318	10.4%
Total: Admn & Engineering Costs	\$389,250	\$426,834	\$433,431	\$433,431	\$6,597	1.5%

Public Works Administration Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE + / (-)
Administration	Director	1.0	1.0	1.0	0
	Administration Secretary	1.0	1.0	1.0	0
	Assistant Operations Manager	0.5	0.5	0.5	0
	Department Assistant	1.0	1.0	1.0	0
	Operations Manager	0.5	0.5	0.50	0
	Staff Engineer	1.0	1.0	0.75	-0.25
	Town Engineer	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>0</u>
Total		6.00	6.00	5.75	-0.25

Public Works - Streets & Sidewalks Budget

Expense Line Item	2014	2015	2016	2016	Dollar	Percent
	ACTUAL	ACTUAL	Dept Requested			
Personnel						
Salaries, Full-Time	376,929	370,695	400,588	400,588	29,893	8.1%
Overtime	27,194	45,039	23,500	23,500	(21,539)	-47.8%
Summer Help Salaries	-	-	-	-	-	
Longevity	-	-	-	-	-	
Total: Personnel Costs	\$404,122	\$415,735	\$424,088	\$424,088	8,354	2.0%
Expenses						
Street Lighting	223,748	119,695	144,550	144,550	24,855	20.8%
Engineering Services	1,000	3,474	30,000	30,000	26,526	763.4%
Repairs & Maintenance	71,843	27,861	35,000	35,000	7,139	25.6%
Equipment Rental/ Lease	-	3,200	1,035	1,035	(2,165)	-67.7%
Advertising	2,222	2,219	1,550	1,550	(669)	-30.1%
Contracted Services	43,322	100,887	51,750	51,750	(49,137)	-48.7%
Training & Education	1,200	1,341	1,035	1,035	(306)	-22.8%
Storm Water Permitting Mandate	24,940	25,023	36,000	36,000	10,977	43.9%
Outside Detail	18,460	10,480	8,000	8,000	(2,480)	-23.7%
Materials & Supplies	23,209	26,841	20,000	20,000	(6,841)	-25.5%
Regulatory Street Signs	5,600	6,246	5,000	5,000	(1,246)	-20.0%
Road Oil & Bituminous	16,280	9,327	20,000	20,000	10,673	114.4%
Uniforms & Clothing	5,400	6,350	6,250	6,250	(100)	-1.6%
Dues/ Memberships & Subscriptions	1,096	890	750	750	(140)	-15.7%
Other Charges & Expenses	170	24,104	40,000	40,000	15,896	65.9%
Capital Outlay	28,620	39,761	60,000	60,000	20,239	50.9%
Total: Expense Costs	467,110	407,701	460,920	460,920	53,219	13.1%
Total: Street Maintenance Costs	\$871,232	\$823,435	\$885,008	\$885,008	\$61,573	7.5%

Public Works Streets & Sidewalks Personnel Listing

Department	Title	FY14	FY15	FY16	VARIANCE
		STAFF POS.	STAFF POS.	STAFF POS.	+/(-)
Streets and Sidewalks	SMEO	3.75	3.75	3.75	0
	HMEO	4	4	4	0
	Laborer/MEO	0.25	0.25	0.25	0
	Senior Work Foreman	0.75	0.75	0.75	0
	Senior Foreman	<u>0.25</u>	<u>0.25</u>	<u>0.25</u>	<u>0</u>
Total		9	9	9	0

Public Works - Refuse & Recycling Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Requested	2016 ADOPTED	Dollar Change	Percent Change
Personnel						
Salaries, Full-Time	65,319	52,868	68,342	68,342	15,474	29.3%
Overtime	4,770	8,407	6,000	6,000	(2,407)	-28.6%
Longevity	-	-	-	-	-	
Total: Personnel Costs	\$70,088	\$61,275	\$74,342	\$74,342	\$13,067	21.3%
Expenses						
Advertising	-	-	13,660	13,660	13,660	#DIV/0!
Contracted Services	554,867	634,086	620,000	620,000	(14,086)	-2.2%
Hazardous Waste Day	9,331	9,398	12,450	12,450	3,052	32.5%
Outside Detail	-	-	-	-	-	
Materials & Supplies	138	-	550	550	550	#DIV/0!
Dumping Fees	503,774	503,000	566,000	566,000	63,000	12.5%
Uniforms & Clothing	900	975	1,950	1,950	975	100.0%
Total: Expense Costs	\$1,069,008	\$1,147,459	\$1,214,610	\$1,214,610	\$67,151	5.9%
Total: Refuse Collection Costs	\$1,139,097	\$1,208,734	\$1,288,952	\$1,288,952	\$80,218	6.6%

Public Works Refuse & Recycling Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE + / (-)
Refuse and Recycling	Sr Work Foreman	0.25	0.25	0.25	0
	Senior Foreman	0	0	0	0
	SMEO	0.25	0.25	0.25	0
	HMEO	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		1.5	1.5	1.5	0

Public Works Vehicle Maintenance Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Requested	2016 ADOPTED	Dollar Change	Percent Change
Personnel						
Salaries, Full-Time	89,877	90,274	94,347	94,347	4,073	4.5%
Overtime	2,859	4,424	2,500	2,500	(1,924)	-43.5%
Longevity	-	-	-	-	-	
Total: Personnel Costs	\$92,736	\$94,698	\$96,847	\$96,847	2,149	2.3%
Expenses						
Vehicle Maintenance	88,840	85,234	95,250	95,250	10,016	11.8%
Advertising	127	-	-	-	-	
Contracted Services	6,179	7,604	500	500	(7,104)	-93.4%
Vehicle Supplies	61,612	52,583	49,000	49,000	(3,583)	-6.8%
Vehicle Fuel	20,958	726	45,000	45,000	44,274	6099.6%
Uniforms & Clothing	1,200	1,300	1,400	1,400	100	7.7%
Dues/ Memberships & Subscriptions	50	-	500	500	500	#DIV/0!
Vehicle	82,386	115,048	120,000	120,000	4,952	4.3%
Total: Expense Costs	\$261,353	\$262,495	\$311,650	\$311,650	49,155	18.7%
Total: Fleet Maint. Costs	\$354,089	\$357,192	\$408,497	\$408,497	\$51,304	14.4%

Public Works Vehicle Maintenance Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE +/-
Vehicle Maintenance	Working Foreman	1	1	1	0
	Mechanic	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		2	2	2	0

Public Works Structures & Grounds Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Requested	2016 ADOPTED	Dollar Change	Percent Change
Personnel						
Salaries, Full-Time	186,965	199,158	204,704	204,704	5,546	2.8%
Overtime	8,454	16,632	9,500	9,500	(7,132)	-42.9%
Summer Help Salaries	26,938	3,556	10,000	10,000	6,444	181.2%
Longevity	525	525	525	525	-	0.0%
Total: Personnel Costs	\$222,882	\$219,872	\$224,729	\$224,729	\$4,857	2.2%
Electricity	86,893	90,000	99,000	99,000	9,000	10.0%
Heating Fuel	56,295	52,572	66,250	66,250	13,678	26.0%
Water/ Sewerage	6,950	7,500	7,000	7,000	(500)	-6.7%
Repairs & Maintenance	12,402	19,588	36,750	36,750	17,162	87.6%
Outside Professional Services	102,321	69,126	67,250	67,250	(1,876)	-2.7%
Advertising	155	-	-	-	-	
Contract Services	-	53,346	46,250	46,250	(7,096)	-13.3%
Telephone	928	928	1,100	1,100	172	18.5%
Materials & Supplies	21,511	20,139	20,700	20,700	561	2.8%
Building Repairs & Maintenance	9,967	10,361	10,000	10,000	(361)	-3.5%
Uniforms & Clothing	2,625	2,363	3,500	3,500	1,138	48.1%
Capital Outlay	-	-	-	-	-	
Total: Expense Costs	\$300,048	\$325,923	\$357,800	\$357,800	\$31,877	9.8%
Total: Structures & Grounds. Costs	\$522,930	\$545,795	\$582,529	\$582,529	\$36,734	6.7%

Public Works Structures & Grounds Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE + / (-)
Structures & Grounds	Custodian	1	1	1	0
	HMEO	1.5	1.5	1.5	0
	SMEO	0.75	0.75	0.75	0
	Laborer/MEO	0.25	0.25	0.25	0
	Senior Foreman	0.25	0.25	0.25	0
	Working Foreman	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		4.75	4.75	4.75	0

Public Works - Snow and Ice Removal

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Requested	2016 ADOPTED	Dollar Change	Percent Change
Personnel						
Overtime	161,810	222,949	95,000	95,000	(127,949)	-57.4%
Total: Personnel Costs	\$161,810	\$222,949	\$95,000	\$95,000	-\$127,949	-57.4%
Expenses						
Repaires & Maintenance	26,140	69,425	45,000	45,000	(24,425)	-35.2%
Equipment Rental/ Lease	718,552	1,179,348	475,000	475,000	(704,348)	-59.7%
Vehicle Fuel	75,615	69,053	70,000	70,000	947	1.4%
Gravel & Sand	21,667	27,698	15,000	15,000	(12,698)	-45.8%
Salt	319,216	370,715	167,000	167,000	(203,715)	-55.0%
Other Charges & Expenses	9,871	7,421	8,000	8,000	579	7.8%
Total: Expense Costs	\$1,171,061	\$1,723,660	\$780,000	\$780,000	-\$943,660	-54.7%
Total: Snow Removal Costs	\$1,332,871	\$1,946,609	\$875,000	\$875,000	-\$1,071,609	-55.1%

HEALTH DEPARTMENT

MISSION STATEMENT

The mission of the Health Department is to protect the public health by maintaining a comprehensive program of environmental and health services, which includes; field inspections, compliance and enforcement activities, monitoring of environmental hazards, societal health related issues and consultation and guidance to citizens and governmental agencies. The staff assists the Board of Health (BOH) in shaping policies by implementing programs and developing regulations that the members deem significant to providing a healthy environment for the citizens and workers within the Town of North Andover.

SIGNIFICANT CHANGES

Many health care providers are directing their patients to the local health departments for vaccines and various testing. This increase is due to changes in the Massachusetts state vaccine program. There have been increased requests for services such as; TB testing, Shingles vaccine, Hepatitis B and A inoculations. Most of these are not readily available at the Health Department at this time. Currently, most inquiries are forwarded to private clinics.

Public Health record keeping has been moving to online applications. This change allows better access to information that may indicate a public health outbreak and better tracking of cases. Information now is inputted through the Department of Public Health portals for all communicable diseases such as salmonella or Hepatitis A, tracked non-communicable diseases such as “Lyme Disease”, and since 2014 all births and all death certificates.

Emergency planning continues to be in the forefront. The North Andover Emergency Planning Group was formed in 2014. Members include all departments who may have any interest in emergency preparedness, as well as interested local educational institutions. Members choose the topics that are most current and attempt to provide organization to the issues such as local response to the international Ebola crisis, local emergency shelter issues etc. Citizens have high expectations for public health and safety preparedness for emergency situations. The group intends to continue in 2015.

PRIOR YEAR ACCOMPLISHMENTS

- Hats and Hairnets. The BOH identified a 2014 Food Focus initiative of the use of hats and proper head covering in food establishments. A campaign to reach out to the establishment operators included; creating an educational handout for distribution, handing out free hairnets to business owners to promote the cause and providing two low-cost Certified Food Handler training opportunities. Compliance is being monitored, but results appear positive to date.

- Continued Internship use as low or no cost staff. Proctored a “master of public health” student from Regis College. Supported project investigating the issue of immunizations and North Andover students and identifying whether any part of the NA population is underserved in this area.
- Document retention. Continued input project of all Board of Health minutes and agendas. Began scanning of reports for Wheelabrator, TBI and other submissions. Determining necessities of retaining paper. Continued with additional projects that will improve access to the public documents and projects that will reduce document retention.

FY16 GOALS

- Prepare for and facilitate the transition to Munis permitting software. Status report created by November 2015.
- Complete and submit required state Record Retention forms by September 1, 2015.
- Change and establish new procedure for Food Establishment permitting renewal date to March 1st of each year, rather than December 1st, by July 2015.
- Utilize summer intern to educate food establishments on new permitting renewal process by August/September 2015.
- Identify local BOH regulations for needed revision and/or possible removal and present to the BOH for review and approval by April 2016.
- Trash truck monitoring program; pilot implementation. Create written plan and budget for next phase of the project by October 2015.
- Identify and implement Lyme disease education plan by September 2015.

Health Department Budget						
Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Requested	2016 ADOPTED	Dollar Change	Percent Change
Personnel						
Salaries, Full-Time	\$ 182,566	\$ 186,944	\$ 188,626	\$ 188,626	\$ 1,682	0.9%
Wages, Part-Time	\$ 11,411	\$ 10,793	\$ 8,755	\$ 8,755	\$ (2,038)	-18.9%
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	
Longevity	\$ 1,985	\$ 2,184	\$ 2,390	\$ 2,390	\$ 206	9.4%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Total: Personnel Costs	\$ 195,962	\$ 199,920	\$ 199,771	\$ 199,771	\$ (149)	-0.1%
Expenses						
Outside Professional Services	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ -	0.0%
Contracted Services	\$ -	\$ -	\$ 280	\$ 280	\$ 280	#DIV/0!
Training & Education	\$ 300	\$ 226	\$ 500	\$ 500	\$ 274	121.2%
Telephone	\$ -	\$ 93	\$ 1,640	\$ 1,640	\$ 1,547	
Postage Services	\$ 436	\$ 200	\$ 400	\$ 400	\$ 200	100.0%
Office Supplies	\$ 312	\$ 130	\$ 300	\$ 300	\$ 170	130.7%
Printing & Forms	\$ 418	\$ 355	\$ 400	\$ 400	\$ 45	12.7%
Vehicle Fuel	\$ 392	\$ 345	\$ 400	\$ 400	\$ 55	15.8%
Uniforms & Clothing	\$ 125	\$ 150	\$ 175	\$ 175	\$ 25	16.7%
Auto Mileage	\$ 400	\$ 510	\$ 500	\$ 500	\$ (10)	-2.0%
Total: Expense Costs	\$ 5,983	\$ 5,609	\$ 8,195	\$ 8,195	\$ 2,586	46.1%
Total: Public Health Costs	\$ 201,945	\$ 205,529	\$ 207,966	\$ 207,966	\$ 2,437	1.2%

Health Department Personnel Listing					
Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE + / (-)
<u>General Fund</u>					
Health	Director	1	1	1	0
	Health Inspector	0.8	0.8	0.8	0
	Public Health Nurse	0.8	0.8	0.8	0
	Department Assiatant	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		3.6	3.6	3.6	0
<u>Revolving Fund</u>					
Health					
	Health Inspector	<u>0.2</u>	<u>0.2</u>	<u>0.2</u>	<u>0</u>
Total		0.2	0.2	0.2	0

ELDER SERVICES

MISSION STATEMENT

The Elder Service Staff is encouraged to create an atmosphere that acknowledges the value of human life, affirms the dignity and self-worth of the older adult in the community and maintains an atmosphere of respect, trust and support.

SIGNIFICANT CHANGES

Massachusetts received an increase in Formula Grant funding of \$1 per older adult, bringing the total to \$8 per older adult and increasing the total grant to \$42,730.

The North Andover community currently has 5,492 seniors which is an 8% growth over last year and a 34.9% increase over the last 12 years.

Two nutritional programs were implemented.

The first, Wednesdays Fresh Table, was started as a Pilot Program running for 6 weeks. The focus of this program was to bring fresh, home-cooked food to our seniors and serve them at a relaxed pace with real plates, table clothes, flowers, etc. The program was so successful that it was continued on through mid-December with a promise to return to it in the spring.

The second was an evening meal program held the third Tuesday of every month. Local assisted living facilities and nursing homes were recruited to bring in a special, healthy menu and serve it to 35 seniors as an early dinner. This was well received by the participants and every seat was filled.

PRIOR YEAR ACCOMPLISHMENTS

The Stevens Library, along with the Senior Center, initiated programs training older adults in the use of various devices. These programs train seniors in the use of e-readers, smart phones, iPads, laptops, etc. We currently have three volunteers at the Senior Center that are giving their time on a weekly basis. Goal Accomplished and will continue.

Working with the Stevens Memorial Library moving the memoir writing group from a Pilot Program to a success story. Participants met for 90 minutes every Wednesday afternoon for 6 weeks. The six-week workshop was entitled "Memories to Memoirs: Your Stories". Goal accomplished and will continue.

We launched an Anti-Bullying campaign collaborating with TRIAD, Youth Center, North Andover High School, Senior Center and NACAM. Elder Services will complete this objective by April 30, 2015. The direction of this program has taken on its own life. In understanding the demographics

that exist in a Senior Center and meeting numerous times with the Youth Center and school department our production crew has decided to adopt the “RAISE” campaign that the schools embrace. Phase 1, the script has been written. Phase 2, Actors have been chosen. Phase 3, location for both the students and older adults to be decided. Phase 4, rehearsals. Phase 5, taping. Phase 6, taping and editing, Phase 7, finished product. The first filming did not go as expected; many of our actors had stage fright and were unable to remember their lines. Our approach of filming has changed. The filming is being done in segments and will be edited and spliced to create a better flow. We now have two professional actors who are working with our group to help coach and act among the inexperienced members. Our completion date has been moved to the fall of 2015.

We improve quality and preparation in our existing food program by increasing the participation in congregate lunches. We looked at alternative sources for meal preparation and service, and updating equipment within kitchen area. In June a 6 week Pilot Program called “Wednesdays Fresh Table” was kicked off. We provide fresh cooked meals for 24 participants at a minimal charge. The food was purchased from local farms and stores and prepared within a day of purchase. The Friends of the North Andover Senior Center purchased plates and basic stock. An article was written for the North Andover Citizen explaining how important it was to provide fresh, nutritious meals for older adults. The North Andover Rotary offered the services of the Interact high school group to prepare a fresh salad every other week. The program was a great success and at the end of six weeks volunteers were doing all the work from prepping and cooking to cleaning up. The staff did the shopping and created a weekly menu. The program was extended into December. Every meal was sold out for the entire running of our Wednesdays Fresh Table. This was a great accomplishment but it is only the tip of the iceberg when it comes to the nutrition needs of the elderly population. We plan to bring this program back in spring 2015.

We continue to collaborate with TRIAD, a group for older adults sponsored by the Sheriff’s Department, Attorney General’s Office and local law enforcement. We work together to develop and initiate programs that keep our seniors engaged and safe in their community. Monthly meetings are held here at the Center through FY’16. A program with our NA Police Department is scheduled for January 2015, addressing issues of fraud and scams targeting the older adult population.

A mock trial is currently being developed and will be hosted by TRIAD for the spring of 2015.

TRIAD is presently working with the North Andover Housing Authority identifying bullying and scams which target low income elders.

These programs are on track and will continue through FY16.

The Public Health Nurse and Outreach Coordinator continue providing community education and screening clinics held at the North Andover Housing Authority. These clinics are held from July 2014 through June 2015. This program is on track and will continue through FY16.

Intergenerational Programs with the Thompson and Franklin Elementary Schools May and June 2015. This goal is on track for completing (2) programs in May/June of 2015 and will continue throughout FY16.

FY16 GOALS

To meet with a kitchen distributor to improve the layout and shelving within the kitchen area.

Replace outdated broken cabinet with open shelving

To install rubber safety stair treads to the second floor area of the Senior Center.

Replace old carpet runners with safety rubber treads

To bridge a connection with all Town Departments in order to educate ourselves and the various departments as to our identity and enable us to learn more about their services and challenges. Hold quarterly meetings with other Town service departments, including, but not limited to the Stevens Memorial Library, the Youth Center, Veteran Services, and the Stevens Estate to exchange information and find additional opportunities for joint action. Who we are and the various services we provide to the community are sometimes overlooked or taken for granted when we are all working hard at our day to day tasks. Working together can help facilitate our needs.

To hold quarterly joint events with the Stevens Memorial Library. These events would be an art workshop, a music program, a writing program, and a visit from a re-enactor, such as “Teddy Roosevelt.”

Elder Services Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Requested	2016 ADOPTED	Dollar Change	Percent Change
Personnel						
Salaries, Full-Time	\$ 219,240	\$ 223,549	\$ 225,311	\$ 225,311	\$ 1,762	0.8%
Wages, Part-Time	\$ -	\$ -	\$ -	\$ -	\$ -	
Longevity	\$ 3,100	\$ 3,100	\$ 3,100	\$ 3,100	\$ -	0.0%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 222,340	\$ 226,649	\$ 228,411	\$ 228,411	\$ 1,762	0.8%
Expenses						
Repairs & Maintenance	\$ 705	\$ 1,021	\$ -	\$ -	\$ (1,021)	-100.0%
Equipment Rental / Lease	\$ 1,870	\$ 1,777	\$ 1,777	\$ 1,777	\$ 0	0.0%
Training & Education	\$ 316	\$ 1,035	\$ 1,035	\$ 1,035	\$ 0	0.0%
Telephone	\$ 1,481	\$ 1,431	\$ 1,400	\$ 1,400	\$ (31)	-2.1%
Postage Services	\$ 1,313	\$ -	\$ 1,500	\$ 1,500	\$ 1,500	#DIV/0!
COA Community Education	\$ 1,100	\$ 500	\$ 1,000	\$ 1,000	\$ 500	100.0%
Health Clinic	\$ 3,750	\$ 3,765	\$ 4,500	\$ 4,500	\$ 735	19.5%
Social Activities	\$ 5,000	\$ 4,440	\$ 3,200	\$ 3,200	\$ (1,240)	-27.9%
Mental Health Lectures	\$ -	\$ -	\$ 1,250	\$ 1,250	\$ 1,250	#DIV/0!
Office Supplies	\$ 6,744	\$ 8,728	\$ 6,500	\$ 6,500	\$ (2,228)	-25.5%
Vehicle Fuel	\$ 5,262	\$ 5,473	\$ 6,000	\$ 6,000	\$ 527	9.6%
Uniforms & Clothing	\$ 250	\$ 150	\$ 350	\$ 350	\$ 200	133.3%
Auto Mileage	\$ 858	\$ 751	\$ 900	\$ 900	\$ 150	19.9%
Dues/ Memberships & Subscriptions	\$ 1,243	\$ 1,521	\$ 1,410	\$ 1,410	\$ (111)	-7.3%
Total: Expense Costs	\$ 29,893	\$ 30,591	\$ 30,822	\$ 30,822	\$ 231	0.8%
Total: Elder Services Costs	\$ 252,233	\$ 257,240	\$ 259,233	\$ 259,233	\$ 1,993	0.8%

Elder Services Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE + / (-)
Elder Services	Director	1	1	1	0
	Program Manager	1	1	1	0
	Outreach Worker	1	1	1	0
	Administrative Secretary	1	1	1	0
	Van Driver	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		5	5	5	0

YOUTH & RECREATION SERVICES

MISSION STATEMENT

The mission of North Andover Youth & Recreation Services is to provide the community, youth and their families with staff, resources and programs with the goal of empowerment and building self-esteem. The positive experience of this involvement enriches and strengthens the fabric of our community for today and a lifetime.

SIGNIFICANT CHANGES

In the past fiscal year NAYRS completed its first year organizationally falling under the Department of Public Works. The transition went very smoothly.

In July 2014 Youth & Recreation Services increased its staffing by one position. This position, which is a combination of Program Coordinator and Administrative Assistant, has allowed us to take the department to a higher level of service.

We successfully implemented an online registration option for our constituents, enabling them to easily register and make payments for our membership and programs.

PRIOR YEAR ACCOMPLISHMENTS

- Creation of an outdoor ice skating area at the Youth Center
- The completion of the Dale Street Athletic Field
- The completion of the McEvoy/Chadwick redevelopment project
- Upgrades to Youth Center technology which allows us to expand programming
- Completion of the Ameresco project at the Youth Center
- Completed 5th straight year of raising \$50k for new fields
- In collaboration with JNHYC Inc. ran another successful auction and Taste of North Andover
- In collaboration with JNHYC Inc. ran a successful Annual Fund
- Purchased a new mini-bus for the Youth Center which concludes our efforts to upgrade fleet of vehicles
- Provided 68 Youth Center scholarships
- Summer 2014 program enrollment was at an all-time high
- Increased collaboration with Senior Center
- Completed a number of maintenance projects within the Center
- Increased Youth Center programming by 10%
- Working with the Town Departments and the Trustees of the Reservation to complete a design for a walking path through Stevens Pond to Weir Hill
- Surveillance upgrades at the Center to improve safety
- Collaborated with Andover Youth Services, Merrimack Valley YMCA, and Greater Lawrence Boys & Girls Club to create a Youth Summit in June 2015
- Established a Youth Summer Job Fair
- Collaborated with community committees to schedule community awareness programs

- Met the increased need in our Thanksgiving Drive as well as our Holiday Gift Drive
- Implemented C3 Arts Program which brought in a different clientele for the Youth Center

FY16 GOALS

- Complete installment of all social media applications to increase marketing, visibility and communications with all town residents
 - Milestone: September 1, 2015
- In conjunction with the Fields Committee, School Department and town boards, take the Middle School Redevelopment Project from planning to complete design and funding stage
 - Milestone: January 1, 2016
- Finalize a long term facility plan for the Youth Center. The Director, joint members of the Youth Center facility committee and Facilities Manager Director
 - Milestone: September 1, 2015
- Create a community survey to better meet the needs of our members and residents.
 - Milestone: March 1, 2016
- Increase use of the Stevens Pond facility. Implement more in-season programming as well as look at use of facility during off-season months.
 - Milestone: May 1, 2016

Youth & Recreation Services Budget

Expense Line Item	2016						Percent Change
	2014 ACTUAL	2015 ACTUAL	Dept Requested	2016 ADOPTED	Dollar Change		
Personnel							
Salaries, Full-Time	\$ 189,183	\$ 230,728	\$ 231,609	\$ 231,609	\$ 881	0.4%	
Lifeguards	\$ 33,167	\$ 29,637	\$ 36,000	\$ 36,000	\$ 6,363	21.5%	
Longevity	\$ 1,650	\$ 1,650	\$ 2,175	\$ 2,175	\$ 525	31.8%	
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -		
Total: Personnel Costs	\$ 224,000	\$ 262,015	\$ 269,784	\$ 269,784	\$ 7,769	3.0%	
Expenses							
Repairs/Maintenance	\$ 21,378	\$ 21,201	\$ 32,560	\$ 32,560	\$ 11,359	53.6%	
Equipment Rental Lease	\$ 2,692	\$ 2,402	\$ 2,626	\$ 2,626	\$ 224	9.3%	
Contracted Services	\$ -	\$ 864	\$ 2,500	\$ 2,500	\$ 1,636	189.3%	
Training & Education	\$ 1,125	\$ 250	\$ 3,000	\$ 3,000	\$ 2,750	1100.0%	
Telephone	\$ 1,100	\$ 1,042	\$ 1,200	\$ 1,200	\$ 158	15.2%	
Postage Services	\$ 592	\$ 788	\$ 900	\$ 900	\$ 112	14.2%	
Office Supplies	\$ 1,956	\$ 2,341	\$ 2,000	\$ 2,000	\$ (341)	-14.6%	
Printing & Forms	\$ 846	\$ 1,000	\$ 1,500	\$ 1,500	\$ 500	50.0%	
Vehicle Fuel	\$ 733	\$ 1,147	\$ 1,500	\$ 1,500	\$ 353	30.8%	
Dues/ Memberships & Subscriptions	\$ -	\$ 75	\$ 200	\$ 200	\$ 125	166.7%	
Other Charges & Expenses	\$ -	\$ -	\$ -	\$ -	\$ -		
Vehicles	\$ 43,000	\$ 48,706	\$ -	\$ -	\$ (48,706)	-100.0%	
Total: Expense Costs	\$ 73,422	\$ 79,816	\$ 47,986	\$ 47,986	\$ (31,830)	-39.9%	
Total: Youth Services Costs	\$ 297,423	\$ 341,832	\$ 317,770	\$ 317,770	\$ (24,062)	-7.0%	

Youth & Recreation Services Personnel Listing					
Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE +/(-)
Youth & Recreation	Director	1	1	1	0
	Support Services Coord	1	1	1	0
	Social Program Coord.	1	1	1	0
	Program Coord.	1	1	1	0
	Secretary/Admin Assistant	<u>0</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		4	5	5	0

VETERANS SERVICES

MISSION STATEMENT

The Veterans Services Department is to advocate on behalf of all the Commonwealth's Veterans and their family members in providing them with quality support services and to direct an emergency financial assistance program for those Veterans and their dependents that are in need of benefits and services as outlined in the provisions of Chapter 115 of the General Laws.

SIGNIFICANT CHANGES

- Obtained a full time Administrative Assistant, who has completed the required VIMIS training.
- The office of Veterans Services has been relocated to the Ground Floor of Town Hall.
- To save office space and improve our quality of services we changed our filing system to electronic media eliminating the need for two large file cabinets.
- The Department of Veteran Affairs (VA) and the Department of Veterans Services (DVS) has directed that all VA claims be submitted as a Fully Developed Claim (FDC). This new directive will require additional work from this office as we are now required to obtain all documents needed to support a FDC prior to submitting any VA claims.
- With the passing of Valor Act II, all VSO's must complete a State Certification Training within six months of being appointed as a VSO.

PRIOR YEAR ACCOMPLISHMENTS

- We increased our outreach efforts in the Town of Boxford, awarding 19 WWII Commemorative coins during a World War II recognition ceremony in February 2014.
- Assisted with the Town of Boxford recognition of Combat Wounded Veterans presented 10 Purple Heart Commemorative Coins.
- Processed two State Annuity applications awarding each applicant \$2,000.00 per year.
- Conducted four home / hospital visits to process VA Aid & Attendance applications which resulted in a combined average monthly income increase of \$1,260.25 eliminating their need for CH115 benefits.
- We continued our work with the Veterans Northeast Outreach Center and the VA Veterans Homeless prevention program.

- Completed North Andover's First Veterans Affordable Family Housing unit in the last 50 years. This "Freedom House" project has allowed three Veteran Families to move into an affordable rental property that will help provide them with financial independents and eventually eliminate the need for CH115 benefits.
- Continue to work with local elected officials to find ways to provide additional affordable Housing and rental property here in North Andover.

FY16 GOALS

- We will maintain at least a 95% reimbursement rate on all CH115 Benefits expended through FY16.
- To improve office efficacy we will complete the conversion of paper files into electronic media by June 1st, 2016.
- By June 1st 2016 we will have completed the State mandated training and certification program for the District Director and the Assistant Director of Veterans Services.

Veterans Services Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Requested	2016 ADOPTED	Dollar Change	Percent Change
Personnel						
Salaries - Full Time	\$ 68,581	\$ 92,059	\$ 79,177	\$ 79,177	\$ (12,882)	-14.0%
Salaries - Part Time	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Stipend, Graves Officer	\$ -	\$ 450	\$ -	\$ -	\$ (450)	
Longevity	\$ 1,275	\$ 1,650	\$ 1,650	\$ 1,650	\$ -	0.0%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 69,856	\$ 94,159	\$ 80,827	\$ 80,827	\$ (13,332)	-14.2%
Expenses						
Training & Education	\$ 596	\$ 1,152	\$ 2,400	\$ 2,400	\$ 1,248	108.3%
Patriotic & Civil Celebrations	\$ 4,144	\$ 5,329	\$ 2,000	\$ 2,000	\$ (3,329)	-62.5%
Rental of Veterans Quarters	\$ 352	\$ -	\$ 1,200	\$ 1,200	\$ 1,200	#DIV/0!
Graves Registration	\$ 3,535	\$ 2,518	\$ 4,000	\$ 4,000	\$ 1,482	58.9%
Telephone	\$ 733	\$ 637	\$ 1,380	\$ 1,380	\$ 743	116.7%
Postage	\$ 500	\$ 282	\$ 600	\$ 600	\$ 318	112.8%
Office Supplies	\$ 1,596	\$ 721	\$ 800	\$ 800	\$ 79	11.0%
Auto Mileage	\$ 403	\$ 434	\$ 700	\$ 700	\$ 267	61.5%
Dues & Subscriptions	\$ 80	\$ 80	\$ 250	\$ 250	\$ 170	212.7%
Veterans Benefits	\$ 250,428	\$ 278,588	\$ 325,000	\$ 325,000	\$ 46,412	16.7%
Other Charges and Expense	\$ -	\$ 5,232	\$ -	\$ 1,600	\$ (3,632)	
Capital Outlay <\$5,000	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Expense Costs	\$ 262,367	\$ 294,972	\$ 338,330	\$ 339,930	\$ 44,958	15.2%
Total: Veterans Benefits Costs	\$ 332,222	\$ 389,130	\$ 419,157	\$ 420,757	\$ 31,627	8.1%

Veteran Services Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE + / (-)
Veterans	Director	1	1	1	0
	Assistant Director	0.4	0	0	0
	Administrative Assistant	<u>0</u>	<u>0.5</u>	<u>0.6</u>	<u>0.10</u>
Total		1.40	1.50	1.60	0.10

STEVENS MEMORIAL LIBRARY

MISSION STATEMENT

The mission of the Stevens Memorial Library is to serve its patrons as a progressive, responsive community resource. The Library promotes endeavors which stimulate and expand the reading and intellectual interests of its visitors of all ages in person and online. The Library coordinates and works cooperatively with other educational, social and cultural groups in the community. The Library is dedicated to serving the general informational, issue-oriented, cultural, and recreational needs of its patrons, providing them lifelong learning and personal growth opportunities.

The Stevens Memorial Library strives to be both reflective of and responsive to the evolving needs of the community. The Library is committed to being a resource for exploring and using new technologies and formats. It seeks to be in the forefront for providing information services while presenting programs and activities that appeal to all segments of the community, offering a warm and welcoming public setting, and gathering place for individuals, families and groups.

SIGNIFICANT CHANGES

The most significant changes within the Library this year revolve around staffing. Additional staffing in the form of new part-time positions (night/weekend reference librarians, an Assistant Children's Librarian, weekend custodian) and increased hours for a reference position were received. Their positive impact is felt despite the amount of staff turnover occurring at the same time. Other events impacting staffing were the retirement or resignation of staff and re-filling their positions. These retirements and resignations meant new opportunities for existing staff, so several staff moved into higher positions. This led to refilling those positions emptied by promotion. A large part of the year to-date has been focused on filling positions and training.

Two staff retired in June and September respectively. The Senior Library Assistant position (25-hours/week) was filled by a current part-time Library Assistant (19-hours/week). The second retirement required the redefinition of a position's skills; this became the Technical Services and Reference Librarian position. In September, the resignation of two key leadership positions in the Library, the Library Director and the Head of Circulation, occurred. The Assistant Director filled in as Interim Director during the job search; then in December became the Library Director. The Assistant Children's Librarian (19-hours/week) just filled July 1st, moved into the Head of Circulation (37.5-hours/week) in September. And a Library Assistant who started in August resigned in early December. The Technical Services and Reference Library position, the Assistant Children's Librarian position, the night/weekend reference librarian positions, and 3 Library Assistant positions have since been filled.

PRIOR YEAR ACCOMPLISHMENTS

The significant staff changes have slowed the progress towards the Library's FY15 goals. Goals not completed by the end of the year may roll forward. These incomplete items are annotated as "delayed."

- Maintained the Library's hours of operation schedule and basic services through a staff-challenged year.
- Maintained the level of Children's programming across all ages, ranging from offerings for toddlers and pre-school children in response to ongoing patron interest in early literacy and reading readiness programs to elementary grade book clubs; class visits by schools; and visits to school classrooms.
- Partnered with the Senior Center for the second year with a Memoir Writing Program. The senior population are some of the most regular visitors to the Library's Monday afternoon Technology Help drop-in sessions.
- Completed the second year of expanded Library summer programming at the Stevens Estate with its weekly "Movies under the Tent." One evening alone had 300 attendees.
- Participated in NaNoWriMo (National Novel Writers Month) for the third year by offering a series of fiction writing workshops in November and monthly writers' group meeting in the Library.
- Continued to increase e-book and audio book access to meet patron increased demand. The Library ranks 7th of 36 MVLC libraries in e-book usage.
- Spring: Partner with the School District to share Early Literacy and Reading Readiness strategies and provide curriculum support for implementing the Common Core Standards.
 - Delayed: Collaborate with JumpStart, Reach Out and Read, and other literacy programs
 - Delayed: Tail Wagging Tutors programming by October 2014
 - Participate in "Take your Child to the Library Day" by February 2015
 - Read Across America Day by March 2015
 - Children's Book Week by May 2015

FY16 GOALS

As a service-based organization, the majority of the Library's goals require sufficient staffing, as demonstrated by events in FY15. The FY16 goals are considering the additional hours requested in this budget submission.

- Improve on deliverability of 21st century services through staffing levels and staff competencies:
 1. Maintain Library's hours of operation with adequate staff levels to support programs and events.

2. Library leadership staff regularly participate in MVLC Network meetings and committees.
 3. Library leadership staff participate in state and national professional events located within the New England area.
 4. Hold four ½ day all-staff development days during the year.
 5. Each staff member attend a minimum of 3 classes, workshops or webinars during the year.
- Leverage library services and the promotion of literacy through partnerships with other Town departments and other organizations:
 1. Hold quarterly meetings with other Town service departments, including, but not limited to the Senior Center, the Youth Center, Veteran Services, and the Stevens Estate to exchange information and find additional opportunities for joint action.
 2. Increase coordination of information and marketing of events between the Town's service departments by contributing to a single online community event calendar to give residents one place to check for North Andover happenings. If such an online facility does not exist today, work with the appropriate resources to develop the calendar tool where the Library, the Senior Center, the Youth Center, Veteran Services, etc. can efficiently contribute their department calendar information.
 3. Hold quarterly joint events with the Senior Center. These events would be an art workshop, a music program, a writing program, and a visit from a re-enactor, such as "Teddy Roosevelt."
 4. Coordinate the Library's summer programming with Youth Center, so events and performers complement one another.
 5. Develop additional projects with Youth Center, such as strengthening the reading component of the Youth Center's summer camp offerings to promote summer literacy.
 6. Continue to host visits to the Library from Youth Center groups, such as the Girls Service Club and the Boys Service Club.
 7. Continue to offer summer events in alternate locations, such as "Movies under the Tent" at the Stevens Estate.
 8. Continue to offer adult evening learning opportunities, such as the monthly Writers Group and the annual NaNoWriMo (National Novel Writers Month) and add at least one new, similar offering in art, music or another area.
 9. Identify and hold one event with an additional Town department this year, such as Veterans Affairs or the Health Department.
 - Leverage library services and the promotion of literacy through partnership with the North Andover Public Schools (NAPS) district:
 1. Work with the NAPS Superintendent and other key educational resources, such as the High School Curriculum Coordinator, to maximize the Library's ability to be an adjunct to the schools. Examples range from purchasing materials that support Massachusetts curriculum plans to joint purchase of databases. (Joint purchasing of databases would allow residents to access e-resources currently only available to residents with school-age children.)
 2. Hold quarterly or more often meetings of the Town's librarians, bringing together the librarians and media specialists in NAPS and the Library.
 3. Increase the number of school-class visits to the Library by 10% or more.
 4. Increase the number of visits to schools by Stevens librarians by 10% or more.
 5. Coordinate the Library's summer programming with all NAPS schools to strengthen summer literacy efforts. Examples range from providing a supply of required reading

materials in the Library, to assisting in the development of summer reading lists, to grade-level book discussions.

6. Provide Library programs and activities for school-age children on the Wednesday early release days.
- Continue with technology advancements to library services:
 1. Delayed: Implement “Going Mobile” strategy with the installation of a discovery platform for mobile devices that allows for integrated searching of the Library’s collections and databases as well as remote check out.
 2. Untether Library staff from desks to move around the building to better serve patrons, with additional benefits to facility safety and management.
 3. Continue to expand the popular e-book collections through various sources including local budget purchases.
 4. Delayed: Install the first remote Library-materials dispenser in Town (like LibDispenser or RedBox). Possible locations are the Senior Center and the Youth Center.
 5. Delayed: Add another patron self-checkout station
 - Continue repairs and improvements to the Library building:
 1. Renovation of the public bathrooms.
 2. Implement the library facility changes proposed by the Space Utilization Study, when it is complete.

Stevens Memorial Library Budget

Expense Line Item	2016						
	2014 ACTUAL	2015 ACTUAL	Dept Requested	2016 ADOPTED	Dollar Change	Percent Change	
Personnel							
Salaries - Full-Time	\$ 356,888	\$ 354,088	\$ 359,474	\$ 359,474	\$ 5,386	1.5%	
Salaries - Part-Time	\$ 219,028	\$ 243,766	\$ 302,403	\$ 302,403	\$ 58,637	24.1%	
Overtime	\$ 9,156	\$ 6,106	\$ 5,000	\$ 5,000	\$ (1,106)	-18.1%	
Longevity	\$ 4,394	\$ 3,182	\$ 3,282	\$ 3,282	\$ 100	3.1%	
Sunday Time/ Bonus	\$ 17,135	\$ 21,030	\$ 20,000	\$ 20,000	\$ (1,030)	-4.9%	
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!	
Total: Personnel Costs	\$ 606,601	\$ 628,172	\$ 690,158	\$ 690,158	\$ 61,987	9.9%	
Expenses							
Electricity	\$ 14,058	\$ 23,115	\$ 23,000	\$ 23,000	\$ (115)	-0.5%	
Heating Fuel	\$ 9,500	\$ 9,920	\$ 9,500	\$ 9,500	\$ (420)	-4.2%	
Water	\$ 1,201	\$ 1,682	\$ 1,500	\$ 1,500	\$ (182)	-10.8%	
Repairs & Maintenance	\$ 6,467	\$ 7,784	\$ 9,000	\$ 9,000	\$ 1,216	15.6%	
Equipment Rental/Lease	\$ 1,605	\$ 1,737	\$ 1,850	\$ 1,850	\$ 113	6.5%	
Adversting	\$ -	\$ 143	\$ -	\$ -	\$ -	-100.0%	
Contracted Services	\$ 39,180	\$ 40,131	\$ 40,967	\$ 40,967	\$ 836	2.1%	
Software Licenses	\$ 6,673	\$ 10,705	\$ 10,000	\$ 10,000	\$ (705)	-6.6%	
Telephone	\$ 861	\$ 934	\$ 900	\$ 900	\$ (34)	-3.6%	
Postage Services	\$ 647	\$ 1,112	\$ 1,000	\$ 1,000	\$ (112)	-10.1%	
Office Supplies	\$ 3,287	\$ 3,584	\$ 4,000	\$ 4,000	\$ 416	11.6%	
Materials & Supplies	\$ 3,821	\$ 3,982	\$ 4,000	\$ 4,000	\$ 18	0.5%	
Building Repairs & Maintenance	\$ 16,358	\$ 17,669	\$ 17,750	\$ 17,750	\$ 81	0.5%	
Vehicle Fuel	\$ 80	\$ 93	\$ 100	\$ 100	\$ 7	7.3%	
Periodicals	\$ 6,972	\$ 7,581	\$ 8,500	\$ 8,500	\$ 919	12.1%	
Books	\$ 101,742	\$ 94,259	\$ 105,000	\$ 105,000	\$ 10,741	11.4%	
AV/Electronic Materials	\$ 39,527	\$ 39,918	\$ 45,000	\$ 45,000	\$ 5,082	12.7%	
Uniforms & Clothing	\$ 1,750	\$ 1,900	\$ 2,125	\$ 2,125	\$ 225	11.8%	
Auto Mileage	\$ 498	\$ 440	\$ 500	\$ 500	\$ 60	13.6%	
Equipment Technology - Replacement	\$ 600	\$ -	\$ -	\$ -	\$ -		
Total: Expense Costs	\$ 254,826	\$ 266,691	\$ 284,692	\$ 284,692	\$ 18,144	6.7%	
Total: Library Costs	\$ 861,428	\$ 894,863	\$ 974,850	\$ 974,850	\$ 80,130	8.9%	

Stevens Memorial Library Personnel Listing					
Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE +/(-)
Library	Director	1	1	1	0
	Assistant Director	1	1	1	0
	Reference Librarian	1.5	1.7	1.8	0.09
	Assistant to Youth Services	0.7	0.7	0.5	-0.22
	Library Assistant	1	1	2.8	1.8
	Head of Reference	1	1	1.0	0
	Adult Library Assistant	0.7	0.7	0.7	-0.03
	Cr. Library Assistant	1.7	1.7	1.0	-0.7
	Head of Circulation	1	1	1.0	0
	Senior Custodian	1	1	1.0	0
	Part Time Custodian	0	0.3	0.3	0.02
	Professional Librarian	0.5	2	0.0	-2
	Head of Youth Services	1	1	1.0	0
	Department Assistant	0	0.0	0.3	0.32
	Assistant Childrens Librarian	0	0.0	0.5	0.51
	Technical Serv & Ref Librarian	<u>0</u>	<u>0.0</u>	<u>0.5</u>	<u>0.48</u>
Total		12.1	14.1	14.4	0.3

Auditing

Expense Line Item Expenses	2014 ACTUAL	2015 ACTUAL	2016 Dept Request	2016 ADOPTED	Dollar Change	Percent Change
Auditing Services	57,580	58,580	55,000	\$55,000	(3,580)	-6.1%
Total: Expense Costs	\$57,580	\$58,580	\$55,000	\$55,000	-\$3,580	-6.1%
Total: Auditing Costs	\$57,580	\$58,580	\$55,000	\$55,000	-\$3,580	-6.1%

PURCHASING

MISSION STATEMENT

Purchasing is responsible for overseeing all purchasing functions for municipal departments. Purchasing ensures the Town engages in cost effective purchasing procedures and contract management, and is in compliance with Massachusetts laws governing procurement of supplies, services, materials, equipment, construction projects, telecommunications, and utilities. Purchasing provides assistance to School Department as needed.

SIGNIFICANT CHANGES

There were no significant changes to the Purchasing Department this fiscal year.

PRIOR YEAR ACCOMPLISHMENTS

- Implemented town-wide contracts (municipal and schools) for a variety of services.
- Issued construction bid documents for the construction of a new Central Fire Station.
- Issued Request for Qualifications for both the Owner's Project Manager and Design Services to convert the former fire station into offices for the Community Development Division.
- Coordinated the issuance of many Request for Quotes, Invitations for Bids, and Request for Proposals for municipal departments as well as for the school department

FY16 GOALS

- To issue construction bid documents to convert the former fire station into offices for the Community Development Division by October 31, 2015.
- To issue Request for Qualifications for both the Owner's Project Manager and Design Services for improvements to Public Works garage site and offices by December 31, 2015.
- To continue to implement a standardized method in all municipal departments in order to obtain quotes, bids or proposals for the purchase of goods and/or services (throughout fiscal year).

Purchasing Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Requested	2016 ADOPTED	Dollar Change	Percent Change
Personnel						
Salaries, Full-Time	\$ 47,520	\$ 48,351	\$ 48,351	\$ 48,351	\$ (0)	0.0%
Longevity	\$ 413	\$ 413	\$ 413	\$ 413	\$ -	0.0%
Salary Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	
Total: Personnel Costs	\$ 47,932	\$ 48,764	\$ 48,764	\$ 48,764	\$ (0)	0.0%
Expenses						
Advertising	\$ 208	\$ 607	\$ 500	\$ 500	\$ (107)	-17.6%
Training & Education	\$ 300	\$ 70	\$ 250	\$ 250	\$ 180	257.1%
Postage	\$ 53	\$ 52	\$ 250	\$ 250	\$ 198	384.2%
Office Supplies	\$ 225	\$ 206	\$ 200	\$ 200	\$ (6)	-3.1%
Auto Mileage	\$ 165	\$ -	\$ 125	\$ 125	\$ 125	#DIV/0!
Dues & Subscriptions	\$ 175	\$ -	\$ 50	\$ 50	\$ 50	#DIV/0!
Other Charges & Expense	\$ 61	\$ -	\$ 125	\$ 125	\$ 125	#DIV/0!
Total: Expense Costs	\$ 1,187	\$ 935	\$ 1,500	\$ 1,500	\$ 565	60.4%
Total: Purchasing Costs	\$ 49,119	\$ 49,699	\$ 50,264	\$ 50,264	\$ 565	1.1%

Purchasing Personnel Listing					
Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE + / (-)
Purchasing	Director	0.5	0.5	0.5	0
Total		0.5	0.5	0.5	0

INFORMATION TECHNOLOGY

MISSION STATEMENT

The Information Technology Department provides appropriate access to, support for and maintenance of systems and services that sustain, enhance and extend the delivery of high quality, customer-focused service. In support of the mission, the Department is tasked with primary responsibility for long-range planning; resource acquisition and integration; and network security, reliability and continuity for all Municipal & School operations.

SIGNIFICANT CHANGES

The department oversaw the complete rebuild of the network core, replacement of all municipal edge switch equipment, and substantial increases to Internet bandwidth. Following an extended vacancy the department hired a network manager, but faces a new vacancy with the departure of the director.

PRIOR YEAR ACCOMPLISHMENTS

- Rebuilt enterprise network core
- Replaced municipal edge switch devices
- Began implementation of Munis unified financial system
- Implemented redundant Internet services, increasing bandwidth from 50 to 500MB
- Facilitated implementation of enterprise wireless solution in all schools
- Evaluated feasibility of cloud-based productivity solution

FY16 GOALS

- Complete transition to Munis financial system by June 30, 2016
- Implement cloud-based productivity solution, if approved, by June 30, 2016
- Complete transition of radio transmission lines to fiber optic network, if approved, by June 30, 2016

Information Technology Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Requested	2016 ADOPTED	Dollar Change	Percent Change
Personnel						
Salaries, Full-Time	417,877	439,778	467,130	467,130	27,352	6.2%
Salaries - Part Time	-	-	7,000	7,000	7,000	#DIV/0!
Longevity	1,050	1,050	2,625	2,625	1,575	150.0%
Salary Reserve	-	-	-	-	-	
Total: Personnel Costs	\$418,927	\$440,828	\$476,755	\$476,755	\$35,927	8.1%
Expenses						
Network	102,316	176,648	130,000	130,000	(46,648)	-26.4%
Repairs & Maintenance	17,850	10,270	20,000	20,000	9,730	94.7%
Outside Professional Service	179,419	361,905	300,845	300,845	(61,060)	-16.9%
Advertising	830	1,265	-	-	(1,265)	
Software Licenses	57,316	67,726	101,000	101,000	33,274	49.1%
Training & Education	269	298	18,000	18,000	17,702	5940.3%
Telephone	32,635	31,533	32,000	32,000	467	1.5%
Office Supplies	174	1,854	1,500	1,500	(354)	-19.1%
Auto Mileage	1,875	2,011	2,500	2,500	489	24.3%
Dues and Subscriptions	100	-	300	300	300	#DIV/0!
Equipment Technology - Replacement	187,909	166,251	60,000	60,000	(106,251)	-63.9%
Total: Expense Costs	\$580,693	\$819,761	\$666,145	\$666,145	-\$153,616	-18.7%
Total: Information Technology Costs	\$999,620	\$1,260,589	\$1,142,900	\$1,142,900	-\$117,689	-9.3%

Information Technology Personnel Listing

Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE + / (-)
Information Technology	IT Director Town	1	1	1	0
	IT Director - School	1	1	1	0
	Network Engineer	1	1	1	0
	IT Systems Support	<u>5</u>	<u>5</u>	<u>5</u>	<u>0</u>
Total		8	8	8	0

FACILITIES MANAGEMENT

MISSION STATEMENT

Facilities Management provides safe, functional and efficient building facilities for municipal and educational operations.

SIGNIFICANT CHANGES

The Building Maintenance Supervisor position has provided a “town wide” consolidated approach to facilities management to include;

- Field operations
- Quality control
- Contractor/vendor coordination & scheduling
- Mechanical systems oversight
- Efficiencies in procurement & mechanical systems management

PRIOR YEAR ACCOMPLISHMENTS

- Completion of town wide ESCo project to include all energy conservation measures (ECM's) included in the Investment Grade Audit. (IGA).
- Implementation of EMS (Energy Management System)
- Participation in the design review and construction oversight on building projects to include;
 1. Stevens Estate: Roof repairs
 2. Kittredge School: gymnasium addition
 3. School administration facility
 4. Scholfield Mill: Stabilization & weatherization
 5. New Central Fire Station
- Provide project management for “self performing” projects;
 1. Stevens estate;
 - Garage remodeling for Emergency Mgt.
 - attic insulation
 - Plant House demolition
 - Fire alarm system modifications
 2. Town Hall: IT head end room AC system
 3. NAMS: new SPED classroom (C101) construction
 4. Atkinson School:

- new Kindergarten classroom construction
 - academic wing flooring replacement
- 5. NAHS: IT head end room AC system replacement
- 6. Asbestos abatement: Atkinson, Kittredge, Franklin schools & Stevens Estate
- 7. Franklin;
 - front entrance driveway/sidewalk modifications
 - removal of USTs
- Hot water tank replacements; Atkinson, Sargent & Thompson schools
- Implement electronic document storage system for facilities to include;
 1. testing & certifications
 2. facility drawings
- Provided a responsive resource to building occupants/stakeholders in the identification /investigation/resolution of building related issues.
- Consolidation procurement & management of building systems testing, certification, preventive maintenance and management to include;
 1. Elevators
 2. Fire alarm
 3. Fire prevention
 4. Emergency Generator
 5. boiler

FY16 GOALS

- Complete utilization of EMS to provide;
 1. Energy savings
 2. Operational efficiency
 3. Local schedule control
 4. Timely diagnosis and response to system problems
 5. Continued education/training regarding energy efficiency
 6. Periodic check of energy savings & check on IGA
- Procurement of FCA (Facilities Condition Assessment) to include;
 1. Identification & document present condition of building elements
 2. Prioritized list of recommended repairs, upgrades, deficiencies, remaining service life by type/category
 3. Provide asset "inventory"
 4. Forecast repair/replacement cost estimates
- Monitor roofing systems performance by implementing MIIA (or similar) roof inspection program, educate & train facility/custodial staff regarding roofing maintenance and procure town wide roofing repair and maintenance contractor.

- Improve building project performance by use of facilities department as a project resource. Implement effective project management to include planning, feasibility, budgeting, prioritization, coordination and quality control, and continued use of “self-performing” delivery method for small projects.
- Increased use of outsourced contractors and service providers.
- Implement a consolidated building maintenance program to provide a more streamlined and cost efficient response to facility needs by expanded use of existing facility maintenance software (School Dude) to include municipal facilities and a rollout of a preventive maintenance program using existing and new software
- Planned replacement/upgrade of building components on a timely basis to address “end of service life” issues and to avoid emergency procurements.
- Participation in the implementation of Facilities Master Plan.
- Continued weatherization of building facilities to include roofing, insulation, and waterproofing.
- Procure and implement consolidated HVAC maintenance program through outsourced vendor(s).

Facilities Budget

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Requested	2016 ADOPTED	Dollar Change	Percent Change
Personnel						
Salaries, Full-Time	159,233	162,019	162,019	162,019	(0)	0.0%
Seasonal Help	-	-	-	-	-	
Longevity	-	-	-	-	-	
Salary Reserve	-	-	-	-	-	
Total: Personnel Costs	\$159,233	\$162,019	\$162,019	\$162,019	(\$0)	0.0%
Expenses						
Advertising	\$ 317	\$ 761	\$ 1,750	\$ 1,750	989	130.0%
Contract Services	\$ 16,713	\$ 48,231	\$ 50,000	\$ 50,000	1,769	3.7%
Training & Education	\$ 721	\$ 499	\$ 1,500	\$ 1,500	1,001	200.4%
Telephone	\$ 690	\$ 1,127	\$ 1,500	\$ 1,500	373	33.1%
Postage	\$ 110	\$ 100	\$ 250	\$ 250	150	151.2%
Office Supplies	\$ 210	\$ 172	\$ 500	\$ 500	328	189.9%
Materials and Supplies	\$ 4,026	\$ 613	\$ 500	\$ 500	(113)	-18.4%
Printing and Forms	\$ 273	\$ -	\$ 500	\$ 500	500	#DIV/0!
Building Repairs and Maintenance	\$ 12,490	\$ 28,415	\$ 30,000	\$ 30,000	1,585	5.6%
Vehicle Fuel	\$ 526	\$ 410	\$ 750	\$ 750	340	82.9%
Auto Mileage	\$ -	\$ -	\$ 250	\$ 250	250	#DIV/0!
Dues & Subscriptions	\$ 210	\$ 210	\$ 500	\$ 500	290	138.1%
Other Charges & Expense	\$ 1,179	\$ 1,401	\$ 3,000	\$ 3,000	1,599	114.1%
Capital Outlay	\$ 39,522	\$ 51,187	\$ 50,000	\$ 50,000	(1,187)	-2.3%
Total: Expense Costs	\$76,987	\$133,127	\$141,000	\$141,000	\$7,873	5.9%
Total: Facilities Costs	\$236,220	\$295,146	\$303,019	\$303,019	\$7,873	2.7%

Facilities Personnel Listing

Department	Title	FY14 STAFF POS.	FY14 STAFF POS.	FY16 STAFF POS.	VARIANCE +/-(-)
Facilities	Director	1	1	1	0
	Maintenance Facility Manager	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		2	2	2	0

EDUCATION

MISSION STATEMENT

The mission of North Andover Public Schools is to cultivate a respectful community of engaged learners, insightful thinkers, and effective communicators.

The assessment for the Education Department is set in large part by the Education Reform Act of 1993 and subsequent laws related to Education Reform.

The total FY16 Recommended School Budget of \$ 43,612,479 represents an increase of \$1,474,818 or 3.5% from FY15. Although Chapter 70 school aid had an increase in the Governor Budget, it does not keep pace with the increases in contractual and other obligations.

Details of the School Departments budget can be found in the separate budget document developed by the School Committee.

Education Budget

Expense Line Item Personnel	2014 ACTUAL	2015 ACTUAL	2016 Dept Requested	2016 ADOPTED	Dollar Change	Percent Change
Salaries	\$ 30,247,202	\$ 32,084,611	\$ 33,393,785	\$ 33,393,785	\$ 1,309,175	4.1%
Total: Personnel Costs	\$ 30,247,202	\$ 32,084,611	\$ 33,393,785	\$ 33,393,785	\$ 1,309,175	4.1%
Expenses						
Expenses	\$ 9,614,475	\$ 9,763,835	\$ 10,218,694	\$ 10,218,694	\$ 454,859	4.7%
All Day Kindergarten	\$ -	\$ 680,000	\$ -	\$ -	\$ (680,000)	-100.0%
Total Expense Education	\$ 39,861,677	\$ 42,528,445	\$ 43,612,479	\$ 43,612,479	\$ 1,084,034	2.5%
Special Education Reserve	\$ -	\$ 175,000	\$ -	\$ -	\$ (175,000)	-100.0%
Total Reserve	\$ -	\$ 175,000	\$ -	\$ -	\$ (175,000)	-100.0%
Total: Education	\$ 39,861,677	\$ 42,703,445	\$ 43,612,479	\$ 43,612,479	\$ 909,034	2.1%

TOWN OF NORTH ANDOVER EDUCATION POSITION LIST COMPARISON

			REQUESTED	
	FY14	FY15	FY16	
EDUCATION	STAFF	STAFF	STAFF	VARIANCE
DEPARTMENTS	POSITIONS	POSITIONS	POSITIONS	+ / (-)
Administrative Assistants	19.5	19.5	19.5	0
Paraprofessionals and Aides	104.1	102.2	103.2	1
Teachers and Other Professionals	303.6	304.8	307.1	2.3
Nurses	8.8	8.8	8.8	0
Custodians and Maintenance	26.7	26.7	26.7	0
School Administration	12	12	12	0
District Administration	4	4	4	0
Grand Total	478.70	478.00	481.30	3.30
				*
*				
(1) Special Education teacher for an elementary program				
(1) Paraprofessional for the same program				
(1) 6th Grade teacher at the Middle School				
(.30) Guidance Counselor at the High School to meet increased enrollment				

Health Insurance and Property Insurance

Pursuant to MGL Chapter 32B, as a benefit of employment, any active, permanent employee of the Town who regularly works twenty (20) hours or more per week is eligible for group health insurance coverage.

The Board of Selectmen accepted MGL Chapter 32b, Section 21-23, which allowed the Town the ability to transfer over to the Group Insurance Commission (GIC) effective January 1, 2014. The GIC offers the choice of the various HMO, PPO, HMO type, PPO type, indemnity, non-Medicare eligible (under 65) and non-Medicare eligible (over 65) plans.

As of January 1, 2015 a total of 941 employees and retirees were enrolled in one of the Town's health insurance plans.

The Town and the Public Employee Committee (PEC) have executed an agreement which will define health insurance benefits for a six year period. The Town expects significant savings during the next several years as a result of this agreement.

Health Insurance / Property Insurance

Expense Line Item	2013 ACTUAL	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	Dollar Change	Percent Change
Expenses						
Health Insurance	\$ 10,242,904	\$ 10,547,403	\$ 8,598,806	\$ 10,202,420	\$ 1,603,614	
Total Health Insurance	\$ 10,242,904	\$ 10,547,403	\$ 8,598,806	\$ 10,202,420	\$ 1,603,614	18.6%
Property & Casualty Insurance	\$ 290,896	\$ 301,405	\$ 293,178	\$ 444,071	\$ 150,893	
Total Property & Casualty Insurance	\$ 290,896	\$ 301,405	\$ 293,178	\$ 444,071	\$ 150,893	51.5%
Total: Health - Property Insurance Expenses	\$ 10,533,800	\$ 10,848,808	\$ 8,891,984	\$ 10,646,491	\$ 1,754,507	19.7%

The rates in the chart below are the actual rates for FY15 as of July 1, 2014.

GIC HEALTH INSURANCE RATE CHART FOR ACTIVE EMPLOYEES

**Individual Cost
Hired before January 1, 2013**

Health Plan	Plan type	Rate Split	Total Cost	Employee Share	Town Share	Number of Active Enrollees
Fallon Community Health Plan Direct	HMO	25/75	\$ 483.21	\$ 120.80	\$ 362.41	6
Fallon Community Health Plan Select	HMO	25/75	\$ 615.39	\$ 153.85	\$ 461.54	3
Harvard Pilgrim Independence Plan	PPO	25/75	\$ 686.12	\$ 171.53	\$ 514.59	33
Harvard Pilgrim Primary Choice Plan	HMO	25/75	\$ 548.89	\$ 137.22	\$ 411.67	18
Health New England	HMO	25/75	\$ 481.89	\$ 120.47	\$ 361.42	0
NHP Care	HMO	25/75	\$ 465.41	\$ 116.35	\$ 349.06	9
Tufts Health Plan Navigator	PPO	25/75	\$ 619.87	\$ 154.97	\$ 464.90	77
Tufts Health Plan Spirit	HMO Type	25/75	\$ 500.37	\$ 125.09	\$ 375.28	6
Unicare State Indemnity Plan/Community Choice	PPO Type	25/75	\$ 456.68	\$ 114.17	\$ 342.51	6
Unicare State Indemnity Plan/Plus	PPO Type	25/75	\$ 656.90	\$ 164.23	\$ 492.68	6

Health Plan	Plan type	Rate Split	Total Cost	Employee Share	Town Share	Number of Enrollees
Unicare State Indemnity Plan/Basic with CIC	Indemnity	50/50	\$ 936.24	\$ 468.12	\$ 468.12	0
Unicare State Indemnity Plan/Basic without CIC	Indemnity	50/50	\$ 893.83	\$ 446.92	\$ 446.92	0

**Individual Cost
Hired after January 1, 2013**

Health Plan	Plan type	Rate Split	Total Cost	Employee Share	Town Share	Number of Enrollees
Harvard Pilgrim Independence Plan	PPO	35/65	\$ 686.12	\$ 240.14	\$ 445.98	1
Tufts Health Plan Navigator	PPO	35/65	\$ 619.87	\$ 216.95	\$ 402.92	6
Unicare State Indemnity Plan/Community Choice	PPO Type	35/65	\$ 456.68	\$ 159.84	\$ 296.84	
Unicare State Indemnity Plan/Plus	PPO Type	35/65	\$ 656.90	\$ 229.92	\$ 426.99	

GIC HEALTH INSURANCE RATE CHART FOR ACTIVE EMPLOYEES

Family Cost
Hired before January 1, 2013

Health Plan	Plan type	Rate Split	Total Cost	Employee Share	Town Share	Number of Enrollees
Fallon Community Health Plan Direct	HMO	25/75	\$ 1,159.70	\$ 289.93	\$ 869.78	6
Fallon Community Health Plan Select	HMO	25/75	\$ 1,476.92	\$ 369.23	\$ 1,107.69	4
Harvard Pilgrim Independence Plan	PPO	25/75	\$ 1,674.20	\$ 418.55	\$ 1,255.65	82
Harvard Pilgrim Primary Choice Plan	HMO	25/75	\$ 1,339.36	\$ 334.84	\$ 1,004.52	50
Health New England	HMO	25/75	\$ 1,194.71	\$ 298.68	\$ 896.03	1
NHP Care	HMO	25/75	\$ 1,233.34	\$ 308.34	\$ 925.01	2
Tufts Health Plan Navigator	PPO	25/75	\$ 1,497.60	\$ 374.40	\$ 1,123.20	200
Tufts Health Plan Spirit	HMO Type	25/75	\$ 1,206.01	\$ 301.50	\$ 904.51	15
Unicare State Indemnity Plan/Community Choice	PPO Type	25/75	\$ 1,095.99	\$ 274.00	\$ 821.99	14
Unicare State Indemnity Plan/Plus	PPO Type	25/75	\$ 1,567.69	\$ 391.92	\$ 1,175.77	6

Health Plan	Plan type	Rate Split	Total Cost	Employee Share	Town Share	Number of Enrollees
Unicare State Indemnity Plan/Basic with CIC	Indemnity	50/50	\$ 2,185.22	\$ 1,092.61	\$ 1,092.61	3
Unicare State Indemnity Plan/Basic without CIC	Indemnity	50/50	\$ 2,086.85	\$ 1,043.43	\$ 1,043.43	0

Family Cost
Hired after January 1, 2013

Health Plan	Plan type	Rate Split	Total Cost	Employee Share	Town Share	Number of Enrollees
Harvard Pilgrim Independence Plan	PPO	35/65	\$ 1,674.20	\$ 585.97	\$ 1,088.23	
Tufts Health Plan Navigator	PPO	35/65	\$ 1,497.60	\$ 524.16	\$ 973.44	1
Unicare State Indemnity Plan/Community Choice	PPO Type	35/65	\$ 1,095.99	\$ 383.60	\$ 712.39	
Unicare State Indemnity Plan/Plus	PPO Type	35/65	\$ 1,567.69	\$ 548.69	\$ 1,019.00	

GIC HEALTH INSURANCE RATE CHART FOR RETIREE'S

Non Medicare Eligible (under 65 yrs)

Individual Cost

Health Plan	Plan type	Total Cost	Number of Enrollees	Rate Split					
				10/90	14/86	15/85	18.3/81.7	21.6/78.40	50/50
Fallon Community Health Plan Direct	HMO	\$ 483.21	1			1			
Fallon Community Health Plan Select	HMO	\$ 615.39	4		2	1		1	
Harvard Pilgrim Independence Plan	PPO	\$ 686.12	1					1	
Harvard Pilgrim Primary Choice Plan	HMO	\$ 548.89	5		3		1		
Health New England	HMO	\$ 481.89	0						
NHP Care	HMO	\$ 465.41	2			2			
Tufts Health Plan Navigator	PPO	\$ 619.87	6			1		4	1
Tufts Health Plan Spirit	HMO Type	\$ 500.37	4		3			1	
Unicare State Indemnity Plan/Community Choice	PPO Type	\$ 456.68	50	2		45		2	1
Unicare State Indemnity Plan/Plus	PPO Type	\$ 656.90	6			1		5	

Health Plan	Plan type	Total Cost	Number of Enrollees	Rate Split					
				10/90	14/86	15/85	18.3/81.7	21.6/78.40	50/50
Unicare State Indemnity Plan/Basic with CIC	Indemnity	\$ 936.24	3			2			1
Unicare State Indemnity Plan/Basic without CIC	Indemnity	\$ 893.83	0						

Non Medicare Eligible (under 65 yrs)

Family Cost

Health Plan	Plan type	Total Cost	Number of Enrollees	Rate Split					
				10/90	14/86	15/85	18.3/81.7	21.6/78.40	50/50
Fallon Community Health Plan Direct	HMO	\$ 1,159.70	3			2		1	
Fallon Community Health Plan Select	HMO	\$ 1,476.92	10			10			
Harvard Pilgrim Independence Plan	PPO	\$ 1,674.20	3					3	
Harvard Pilgrim Primary Choice Plan	HMO	\$ 1,339.36	9			2		7	
Health New England	HMO	\$ 1,194.71	0						
NHP Care	HMO	\$ 1,233.34	3			1		2	
Tufts Health Plan Navigator	PPO	\$ 1,497.60	8			1		7	
Tufts Health Plan Spirit	HMO Type	\$ 1,206.01	0						
Unicare State Indemnity Plan/Community Choice	PPO Type	\$ 1,095.99	18			16		2	
Unicare State Indemnity Plan/Plus	PPO Type	\$ 1,567.69	4					4	

Health Plan	Plan type	Total Cost	Number of Enrollees	Rate Split					
				10/90	14/86	15/85	18.3/81.7	21.6/78.40	50/50
Unicare State Indemnity Plan/Basic with CIC	Indemnity	\$ 2,185.22	1	1					1
Unicare State Indemnity Plan/Basic without CIC	Indemnity	\$ 2,086.85	0						

GIC HEALTH INSURANCE RATE CHART FOR RETIREE'S

Medicare Eligible (over 65 yrs)

Health Plan	Plan type	Total Cost	Number of Enrollees	Rate Split								
				10/90	14/86	15/85	18.3/81.7	21.6/78.4	25/75	35/65	50/50	
Fallon Senior Plan	Medicare	\$ 290.79	5								5	
Harvard Medicare Senior Plan	Medicare	\$ 394.79	30			1					29	
Tufts Med Comm Senior Plan	Medicare	\$ 348.39	9								9	
Tufts Med Preferred Senior Plan	Medicare	\$ 266.56	12	1		6					5	
Unicare OME w/CIC	Medicare	\$ 379.45	265	16		101				1	147	

RETIREMENT

Under Massachusetts General Laws Chapter 32 the Town is required to enroll all employees (except teachers and administrators under contract by the School Department) who work in excess of nineteen (19) hours per week. The Town does not maintain its own system but is a member of the Essex Regional Retirement System and pays an annual assessment. We currently provide pension payments to approximately 223 retirees, and collect pension contributions from approximately 396 active employees.

The Town meets its share of cost primarily on a pay-as-you-go basis by contributing annually the amount determined by the State Division of Insurance.

Retirement Budget

Expense Line Item	2013 ACTUAL	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	Dollar Change	Percent Change
Expenses						
County Retirement	\$ 3,186,990	\$ 3,442,269	\$ 3,759,115	\$ 4,071,413	\$ 312,298	8.3%
Total: Retirement Cost	\$ 3,186,990	\$ 3,442,269	\$ 3,759,115	\$ 4,071,413	\$ 312,298	8.3%

Cherry Sheet Assessments

Chapter 59, Section 21 of the Massachusetts General Laws requires the Commissioner of Revenue to provide municipalities and regional school districts with advance estimates of state assessments and charges and county tax assessments. Local assessors are required to use these figures in determining the local property tax rate.

RETIRED TEACHER HEALTH INSURANCE

To reimburse the state for the costs of providing life and health insurance plans for retired municipal teachers. Each participating municipality is assessed for the governmental share of health and life insurance premiums paid on behalf of its teacher retirees by the state. For teachers retired prior to July 1, 1994 the state pays 90% of the total premium; the retiree's co-payment is 10% of the total premium. Teachers retired after July 1, 1994 the premium split is 85% employer 15% employee. A proportionate share of administrative expenses is also assessed to each municipality.

MOSQUITO CONTROL PROJECTS

To assess municipalities for the costs of mosquito control services. There are eight mosquito control districts whose costs are apportioned to member municipalities on the Cherry Sheet. All mosquito control projects are to be assessed their proportional expenses for the administration of the state Reclamation Board.

AIR POLLUTION CONTROL

The Air Pollution Commission supervises six districts statewide. The Commission is empowered through the Office of the Governor and has a mandate to control air pollution through the enforcement of Air Pollution Control Acts and Safety Standards.

REGIONAL TRANSPORTATION AUTHORITY

To assess municipalities in order to provide for a system of regional transportation authorities to develop, finance, and contract for the operation of transportation facilities and service outside the Metropolitan Boston area. Between 25% and 50% of the total net cost of service of each regional transit authority is assessed to its member municipalities in proportion to the estimated cost of operating routes through those municipalities. A net operating deficit for each regional transit authority is calculated as the difference between the revenue sources (fares, advertisements and federal assistance) and the operating costs. This deficit is funded through assessments to member municipalities and state contract assistance.

SPECIAL EDUCATION ASSESSMENT

To reimburse the state for providing special needs education to children enrolled in (1) state hospital schools or (2) private institutions, whose placements were made before 1975.

REGISTRY OF MOTOR VEHICLES-HOLD PROGRAM

The Town has implemented a provision of Massachusetts General Laws Chapter 90 which enables the City to request the State Registry of Motor Vehicles not to renew the license and registration of an operator/owner of a motor vehicle that has two or more outstanding parking tickets. This provision is enacted after the motorist has failed to pay the parking tickets and had an opportunity for a hearing. This program has resulted in a significant decrease in the number of delinquent payments.

SCHOOL CHOICE

To assess the sending municipality or regional school district for pupils attending another school district under school choice, School choice tuition charges are assessed against the sending district and paid to the receiving school district.

CHARTER SCHOOL

To assess the sending municipality or regional school district for pupils attending charter schools. Charter school tuition charges are assessed against the sending district and paid to the charter school district.

ESSEX COUNTY TECH INSTITUTE

To provide funding from sending communities to finance the operating budget of the Essex Agricultural and Technical High School. The school's tuition charges are assessed against the pupil's resident communities.

CHERRY SHEET OFFSETS

SCHOOL LUNCH

To reimburse part of the cost incurred in serving lunches to school children. The cost of meals served is partially reimbursed to extent funds are appropriated. Reimbursement is intended to supplement federal and local support.

PUBLIC LIBRARY

To support a statewide program of supplemental services for libraries of all types (public, school, colleges/universities, etc) in order to provide users with materials and information otherwise unavailable locally. Services include interlibrary loans, reference referral, delivery of materials, continuing education, technical assistance, database access and bookmobile service.

State Assessments & Offset Receipts

Expense Line Item	2013 ACTUAL	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	Dollar Change	Percent Change
Projects						
Mosquito Control	\$ 90,159	\$ 91,372	\$ 91,677	\$ 91,677	\$ -	0.0%
Special Education	\$ 7,155	\$ 11,769	\$ 18,904	\$ 12,004	\$ -	-36.5%
Retired Muncipal Teachers	\$ 1,316,435	\$ 755,578	\$ -	\$ -	\$ -	
Air Pollution Control	\$ 8,819	\$ 9,251	\$ 9,195	\$ 9,195	\$ -	0.0%
Regional Transit Authorities	\$ 184,305	\$ 185,776	\$ 185,331	\$ 185,331	\$ -	0.0%
RMV Non Renewal Surcharge	\$ 17,280	\$ 18,580	\$ 18,580	\$ 18,580	\$ -	0.0%
School Choice Assessment	\$ 14,068	\$ 5,000	\$ 5,243	\$ 5,000	\$ (243)	-4.6%
Charter School Assessment	\$ 75,544	\$ 140,003	\$ 108,016	\$ 138,522	\$ 30,506	28.2%
* Essex County Agricutural Tech	\$ 74,850	\$ 37,659	\$ -	\$ -	\$ -	#DIV/0!
Total: Direct Expense	\$ 1,788,615	\$ 1,254,988	\$ 436,946	\$ 460,309	\$ 30,263	5.3%
CHERRY SHEET OFFSET RECEIPTS						
School Lunch	\$ 27,239	\$ 23,402	\$ 17,321	\$ 17,321	\$ -	0.0%
Public Library	\$ 23,021	\$ 22,696	\$ 30,659	\$ 30,659	\$ -	0.0%
Total Cherry Sheet Assessments & Offsets	\$ 1,838,875	\$ 1,301,086	\$ 484,926	\$ 508,289	\$ 30,263	4.8%

** Essex County Agricutural Tech as of FY15 is no longer assessed through State Aid Cherry Sheet
invoiced directly from Essex County Agrigultural Tech*

Non-Departmental Budget

Finance Committee

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	Dollar Variance
Expenses				
Advertising	\$ 45	\$ -	\$ 45	\$ 45
Dues/Memberships & Subscriptions	\$ 326	\$ 333	\$ 326	\$ (7)
Other Charges and Expense	\$ 424	\$ 95	\$ 424	\$ 329
Total: Expense Costs	\$ 795	\$ 429	\$ 795	\$ 366
Total: Finance Committee Costs	\$ 795	\$ 429	\$ 795	\$ 366

Legal

Expense Line Item	2014 ACTUAL	2015 ACTUAL	2016 Dept Requested	2016 ADOPTED	Dollar Change	Percent Change
Expenses						
Legal Services	\$ 100,049	\$ 89,340	\$ 165,000	\$ 152,000	\$ 62,660	70.1%
Total: Expense Costs	\$100,049	\$89,340	\$165,000	\$152,000	62,660	70.1%
Total: Legal Services Costs	\$100,049	\$89,340	\$165,000	\$152,000	62,660	70.1%

Unclassified - Shared Cost

Expense Line Item	2013 ACTUAL	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	Dollar Change	Percent Change
Expenses						
Workers Compensation	\$ 248,669	\$ 271,426	\$ 310,629	\$ 351,478	\$ -	13.2%
Unemployment	\$ 55,406	\$ 102,434	\$ 19,692	\$ 100,000	\$ 80,308	407.8%
Medicare - Town	\$ 175,308	\$ 184,923	\$ 200,618	\$ 210,000	\$ 9,382	4.7%
Medicare - School	\$ 428,675	\$ 446,054	\$ 475,250	\$ 440,000	\$ (35,250)	-7.4%
Police and Fire Accident Insurance	\$ 100,104	\$ 46,933	\$ 59,577	\$ 123,500	\$ 63,923	107.3%
Total: Unclassified	\$ 1,008,161	\$ 1,051,770	\$ 1,065,766	\$ 1,224,978	\$ 118,363	14.9%

Capital and Reserves

Expense Line Item	2013 ACTUAL	2014 ACTUAL	2015 ACTUAL	2016 ADOPTED	Dollar Change	Percent Change
Expenses						
Transfer to Stabilization	\$ 850,000	\$ -	\$ 625,000	\$ 64,412	\$ (560,588)	-89.7%
Transfer to Capital Stabilization	\$ 238,000	\$ -	\$ 213,000	\$ 213,000	\$ -	0.0%
Snow and Ice Deficit	\$ -	\$ -	\$ 165,000	\$ -	\$ (165,000)	-100.0%
Transfer to Capital Projects	\$ -	\$ -	\$ 223,500	\$ -	\$ (223,500)	-100.0%
Transfer to Special Education Stabilization	\$ -	\$ -	\$ -	\$ 750,000	\$ 750,000	0.0%
Overlay Deficits	\$ -	\$ -	\$ 1,608	\$ 303	\$ (1,305)	0.0%
Reserve for 27th Payroll	\$ -	\$ -	\$ -	\$ 408,348	\$ 408,348	0.0%
Overlay	\$ 629,707	\$ 564,134	\$ 530,315	\$ 550,000	\$ 19,685	3.7%
Total: Unclassified	\$ 1,717,707	\$ 564,134	\$ 1,758,423	\$ 1,986,063	\$ 227,640	12.9%

ENTERPRISE FUNDS

DIVISION OF PUBLIC WORKS – WATER DEPARTMENT

MISSION STATEMENT

The mission of the Water Department is to provide the highest quality drinking water by maintaining the Town's water supply, Lake Cochichewick, and by optimally operating the drinking water treatment plant, which delivers an average daily consumption of 3.2 million gallons and a yearly total of over a billion gallons. The Water Treatment Plant Staff also operate and maintain five (5) high lift water booster stations and three(3) water storage tanks.

SIGNIFICANT CHANGES

The Water Treatment Plant lost one of its operator to retirement while acquiring a new operator.

PRIOR YEAR ACCOMPLISHMENTS

- As part of an Energy Services Contract (ESCO), a new roof was installed and the HVAC system was replaced at the Water Treatment Plant (WTP). These projects were funded through both capital funds and the energy efficiency that will be realized over future years.
- Replaced two variable frequency drives (VFDs) for one (1) raw water and one(1) finish water pump that have reached their life expectancy.
- At the WTP, enclosers have been fabricated for the outside flocculation and sedimentation tanks so that all mixers will no longer be exposed to the elements. All gear box motors for the sedimentation and flocculation tanks have been repaired or replaced.
- Two tanks which hold 3,200 gallons each of process chemicals had to be taken out of service after an inspection found that they had minor leaks. These fiberglass tanks was relined giving the Department several more years of use before a total tank replacement will be required.
- WTP operators successfully replaced Ozone electrodes and associated parts in one of the ozone generators thus having the back-up generator totally ready for any emergencies.
- The Bradford Standpipe was cleaned and some small areas were repaired that had corroded.
- The Town went out to bid to replace over 40 electrical actuators that operate the opening and closing of the valves associated with the plant's eight carbon filters. This was accomplished during the winter while the plant was at its lowest flow output.
- All outdoor lamps at the Water Treatment Plant were changed to LEDs for energy efficiency along with the outside foyer light which now shines through a new Town seal in the peak of the foyer.
- The Water Booster Station on Empire Drive was accepted by the Town.

- A flag pole was erected at the WTP site in memory of the Marathon Bombing and a new sign was installed welcoming everyone to the North Andover Water Treatment Plant.
- The Water Distribution Crew flushed all public hydrants in FY15. As a result of the program, nine (9) hydrants were found to be inoperable and were repaired.
- Five Hundred and fourteen (514) meters were replaced by a combination of the Phase V Meter Replacement Contractor and DPW personnel.
- Ten (10) water main breaks were repaired.

FY 16 GOALS

- Begin the process at the WTP to upgrade and replace the process control computer system that runs the drinking water plant by September 2015.
- Complete the emergency power upgrade so that all the raw water and finish water pumps will be on the emergency back-up generator at the WTP by September 2015.
- Working with National Grid to replace the indoor lighting with energy efficient LED at the Water Treatment Plant by May 2016
- Design, permit, bid and construct the extension of new 12-inch ductile iron water main on Chestnut Street from Peachtree Lane to the Rosemont Drive Pump Station; take out of service, demolish, and abandon the existing Rosemont Booster Pump Station, which will eliminate operational costs; and conduct hydrant flow testing on Ridge Way, Skyview Terrace, and Rosemont Drive when job is complete by June 1, 2016.
- Demolish the North Pumping Station, which is the abandoned brick building on Rt. 133, Great Pond Road, adjacent to the boat ramp to be completed by June 2016
- Replace aging chemical tanks throughout the plant over the next several years while bringing the areas up to new safety standards. Work has begun on two tanks which should be completed by Spring 2015. The next aspect of replacing tanks will begin in FY15 and will not be completed until the Spring of FY19.
- There are projects, which will be in the planning/preliminary design phase in FY 15 and FY 16. We plan to use a combination of CIP and budget money to refine future CIP requests for construction and implementation of upgrades that will modernize the plant, increase capacity without major expansion, and reduce operating costs well into the future. The process will be completed in Fall of 2016 to be able to update future CIP requests. These projects are:
 - Upgrades to the Ozone System to decrease the energy cost of ozone production, while increasing the size of the detection tank.

- Increase the number of baffles in the Clearwell to increase the contact time with the disinfectant and chlorine.
 - Expand the backwash tank and the addition of a new sludge collection system to make our dewatering process more effective allowing us to recycle more while sending less into the sewer collection system.
- Plan to expand the high service area on Empire Drive into Chestnut Street, Marian Drive, and Evergreen Drive to increase water pressure and hydrant flow rates by September 1, 2015.
 - Design improvements to two Water System Interconnections with Andover by May 1, 2016.
 - Flush all public hydrants by November 15, 2015.
 - Update Water Distribution System Maps by June 1, 2016.
 - Replace 50 old meters by June 15, 2016.
 - Replace ten old hydrants by June 30, 2016.

WATER ENTERPRISE FUND BUDGET

LINE ITEM	2014 ACTUAL	2015 ACTUAL	2016 Dept Request	2016 ADOPTED	Dollar Change	Percent Change
Personnel						
Salaries - Full-Time	801,742	864,073	846,797	846,797	(17,275)	-2.0%
Salaries - Part-Time	6,225	8,590	5,150	5,150	(3,440)	-40.0%
Overtime	61,155	83,697	51,500	51,500	(32,197)	-38.5%
Longevity	1,681	1,775	781	781	(994)	-56.0%
Announcement of Retirement	-	-	-	-	-	#DIV/0!
Salary Reserve	-	-	-	36,371	36,371	
Total: Personnel Costs	\$870,803	\$958,135	\$904,228	\$940,600	-\$17,535	-1.8%
Expenses						
Electricity	308,065	387,234	538,200	538,200	150,966	39.0%
Heating Fuel	13,511	15,478	80,000	80,000	64,522	416.9%
Engineering	6,200	7,925	17,000	17,000	9,075	114.5%
Repairs & Maintenance	191,089	224,347	160,000	160,000	(64,347)	-28.7%
Laboratory	19,348	55,890	28,000	28,000	(27,890)	-49.9%
Advertising	737	842	1,000	1,000	158	18.7%
Contracted Services	83,491	94,081	105,000	105,000	10,919	11.6%
Training & Education	4,823	10,255	9,500	9,500	(755)	-7.4%
Telephone	6,456	6,484	10,450	10,450	3,966	61.2%
Postage Services	672	2,297	3,000	3,000	703	30.6%
Storm Water Permitting Mandate	16,929	1,716	45,000	45,000	43,284	2521.8%
Outside Detail	5,940	15,722	8,800	8,800	(6,922)	-44.0%
Office Supplies	5,557	5,438	6,300	6,300	862	15.9%
Materials & Supplies	65,354	131,217	94,500	94,500	(36,717)	-28.0%
Vehicle Fuel	15,610	9,790	15,000	15,000	5,210	53.2%
Chemicals	110,675	132,349	205,000	205,000	72,651	54.9%
Uniforms & Clothing	8,073	6,499	8,400	8,400	1,901	29.2%
Auto Mileage	798	57	215	215	158	276.8%
Dues/ Memberships & Subscriptions	2,219	249	2,300	2,300	2,051	823.7%
Other Charges & Expenses	16,660	67,519	36,500	36,500	(31,019)	-45.9%
Capital Outlay >\$5,000	117,263	54,100	167,000	167,000	112,900	208.7%
Vehicle	4,450	-	-	-	-	#DIV/0!
Subtotal: Expense costs	\$1,003,920	\$1,229,490	\$1,541,165	\$1,541,165	\$311,675	25.3%
Debt Service						
Principal Long Term	1,166,448	1,208,112	828,506	828,506	(379,606)	-31.4%
Interest Long Term	187,925	156,334	117,665	117,665	(38,669)	-24.7%
MWPAT Principal	251,505	256,586	261,770	261,770	5,184	2.0%
MWPAT Interest	84,600	79,519	74,335	74,335	(5,184)	-6.5%
Transfers to Capital Projects	-	900,710	635,000	635,000	(265,710)	-29.5%
Indirects	878,741	600,000	923,227	923,227	323,227	53.9%
Total: Expense Costs	\$3,573,139	\$4,430,751	\$4,381,668	\$4,381,668	-\$49,083	-1.1%
Total: Water Dept. Costs	\$4,443,942	\$5,388,886	\$5,285,897	\$5,322,268	-\$66,618	-1.2%

DIVISION OF PUBLIC WORKS – SEWER DEPARTMENT

MISSION STATEMENT

The Sewer Department ensures the proper and safe discharge of wastewater through the operation of pumping stations and by maintaining and improving the wastewater system infrastructure.

SIGNIFICANT CHANGES

There were no significant changes to the Sewer Department this fiscal year.

PRIOR YEAR ACCOMPLISHMENTS

- Two sewer line replacement projects began in FY14: one in Sutton Street and the other in School St & the Bunkerhill Street Easement. In Sutton Street near the McEvoy Playground, 890 feet of old 8” clay pipe was replaced with new 12” PVC pipe. In School Street, 340 feet of 6” clay pipe was replaced with 6” PVC pipe and 40 feet of 10” clay pipe was replaced with 12” PVC pipe in the Bunkerhill Street easement behind the DPW building.
- Design completed to replace the Rea’s Pond Sewer Pump Station off Great Pond Road. The new replacement station will be constructed outside of the flood plain. Previous flooding of this area in 2006 and 2007 threatened to submerge the sewer station and contaminate Lake Cochichewick. By constructing a new station with greater capacity and better location, the threat to the Lake during flood events will be eliminated.
- All sewer pump stations were upgraded with a new level control system which will improve the pump’s response to sudden increases in flow, thus cutting down on emergency call-ins from sudden high alarms;
- Wet wells at all sewer stations were cleaned of grit and grease to keep the pumps from being overworked and two stations received new driveways.
- Blue Ridge sewer station pump was relined to improve efficiency and extend the pumps life expectancy.
- Both pumps at Meeting House Sewer pump station were overhauled to improve efficiency,
- Four main line obstructions were cleared by the sewer crew.
- An air release valve on Turnpike Street near Chestnut Street was replaced.

FY 16 GOALS

- The Rea’s Pond Pumping Station will be publicly bid in June and Construction will begin shortly there after. It is anticipated that the new pump station will be constructed in FY 16 and will be on line by Fall 2016.

- Accumulate sufficient funding in the Sewer Mitigation Account for the replacement of sewer lines on Commonwealth Avenue by 7/1/15. The project will involve wetlands permitting from the North Andover Conservation Commission for the work within the 100 foot buffer zone along the Shawsheen River to be completed by 8/1/15. Install 320 feet on new 6' PVC sewer main and three new manholes by 11/15/15. Replace up to ten 5" clay sewer services in the roadway as needed by 11/15/15.
- Update the Town's sewer collection system maps by April 1, 2016.
- Within the twenty two sewer pump stations, plans are for upgrading pumps, variable frequency drives (VFD's) and computer control boards along with putting into several stations a new method of grinding the incoming flow to better protect the pumps. A new sewer truck with a crane is also requested for the sewer department to replace the current aging vehicle. Improvements to the stations began in FY14 and will be ongoing until the Fall 2016.

SEWER ENTERPRISE FUND BUDGET

LINE ITEM	2014 ACTUAL	2015 ACTUAL	2016 Dept Request	2016 ADOPTED	Dollar Change	Percent Change
Personnel						
Salaries, Full-Time	330,516	360,936	355,701	355,701	(5,235)	-1.5%
Salaries, Part-Time	10,331	-	-	-	-	0.0%
Overtime	25,936	25,006	36,000	36,000	10,994	44.0%
Longevity	744	950	519	519	(431)	-45.4%
Announcement of Retirement	-	-	-	-	-	#DIV/0!
Salary Reserve	-	-	-	14,239	14,239	0.0%
Total: Personnel Costs	\$367,527	\$386,892	\$392,220	\$406,459	19,567	5.1%
Expenses						
Electricity	77,061	94,603	100,000	100,000	5,397	5.7%
Heating Fuel	3,783	5,283	10,000	10,000	4,717	89.3%
Engineering Services	1,052	-	3,000	3,000	3,000	#DIV/0!
Repairs & Maintenance	48,862	79,541	88,000	88,000	8,459	10.6%
Advertising	-	657	200	200	(457)	-69.5%
Contracted Services	3,869	13,263	23,350	23,350	10,087	76.1%
Training & Education	765	-	2,500	2,500	2,500	#DIV/0!
Telephone	11,425	13,229	13,000	13,000	(229)	-1.7%
Outside Detail	3,520	2,560	6,000	6,000	3,440	134.4%
Materials & Supplies	10,189	22,161	44,500	44,500	22,339	100.8%
Vehicle Fuel	11,194	9,915	11,650	11,650	1,735	17.5%
Uniforms & Clothing	2,675	3,888	5,200	5,200	1,313	33.8%
Dues/ Memberships & Subscriptions	75	-	200	200	200	#DIV/0!
Other Charges & Expenses	4,355	3,586	5,000	5,000	1,414	39.4%
Capital Outlay <\$5,000	-	9,000	10,370	10,370	1,370	15.2%
Subtotal Expenses:	\$178,826	\$257,685	\$322,970	\$322,970	65,285	25.3%
Debt Service						
Principal Long Term	1,243,005	1,251,608	1,062,508	1,062,508	(189,100)	-15.1%
Interest Long Term	289,431	246,378	209,013	209,013	(37,365)	-15.2%
MWPAT Principal	400,896	424,317	254,152	254,152	(170,165)	-40.1%
MWPAT Interest	49,623	34,635	24,174	24,174	(10,460)	-30.2%
Sewerage Assessment (GLSD)	1,322,544	1,543,296	1,721,200	1,721,200	177,904	11.5%
Transfer to Capital	-	-	80,000	80,000	80,000	0.0%
Indirects	413,525	423,863	434,460	434,460	10,597	2.5%
Total: Expense Costs	\$3,897,849	\$4,181,782	\$4,108,477	\$4,108,477	(73,304)	-1.8%
Total: Sewer Dept. Costs	\$4,265,375	\$4,568,674	\$4,500,697	\$4,514,936	(53,738)	-1.2%

Water & Sewer Enterprise Funds Personnel Listing					
Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE +/(-)
Water					
	Administrative Secretary	1	1	1	0
	Ass't Operations Manager	0.5	0.5	0.5	0
	Ass't WTP Superintendent	0.75	0.75	0.75	0
	Foreman	0.25	0.25	0.25	0
	Head Meter Reader	0.75	0.75	0.75	0
	HMEO	0	0	0.5	0.5
	Laborer	1.5	1.5	1	-0.5
	Mechanic	1	1	1	0
	Meter Reader	2	2	2	0
	O/M Chief	0.75	0.75	0.75	0
	Operations Manager	0.25	0.25	0.25	0
	Senior Water Analyst	0	0	0	0
	Lab Director	1	1	1	0
	SMEO	1.25	0.75	0.75	0
	WTP Operator	4	4	4	0
	WTP Superintendent	0.75	0.75	0.75	0
	Staff Engineer	0	0	0.25	0.25
Total		15.75	15.25	15.50	0.25
Sewer					
	Administrative Secretary	1	1	1	0
	Ass't Operations Manager	0	0	0	0
	Ass't WTP Supervisor	0	0.25	0.25	0
	Foreman	0.5	0.25	0.25	0
	HMEO	0.25	0.75	0.75	0
	Laborer	0	0	0	0
	Mechanic	3.5	3	3	0
	O/M Chief	0.25	0.25	0.25	0
	Operations Manager	0.25	0.25	0.25	0
	Senior Foreman	0.25	0.25	0.25	0
	SMEO	0.25	0.25	0.25	0
	WTP Operator	0	0	0	0
	WTP Superintendent	0.25	0.25	0.25	0
Total		6.5	6.5	6.5	0

STEVENS ESTATE

MISSION STATEMENT

The mission of the Stevens Estate is to operate and maintain an event center attracting people, businesses and interest, support local business and regional tourism, to provide outstanding customer service, and to strive to build community identity through a variety of recreational, educational and community events, all with maintaining the historical nature of the Estate and the property.

SIGNIFICANT CHANGES

The Stevens Estate had some major renovations completed this past year. The roof was completely fixed, the attic was insulated and the small plant house was removed from the property.

PRIOR YEAR ACCOMPLISHMENTS

- Completed the FY with a positive cash balance
- Reviewed and stabilized expenses
- Continued to book prime dates as well as fill in smaller events in the slower months.
- Completed the roof project
- Removed the plant house
- Purchased chairs that will generate more income for the Estate

FY16 GOALS

- To make a profit while still improving the building and operations of the Stevens Estate
- To get the brick project off the ground to generate more income for the Estate
- To continue to have a presence in Town and help with local events

STEVENS ESTATE ENTERPRISE FUND BUDGET

LINE ITEM	2014 ACTUAL	2015 ACTUAL	2016 Dept Request	2016 ADOPTED	Dollar Change	Percent Change
Personnel						
Salaries - Full-Time	58,609	62,898	59,000	59,000	(3,898)	-6.2%
Salaries - Part-Time	55,325	70,089	65,000	65,000	(5,089)	-7.3%
Salary Reserve	-	-	-	3,801	3,801	
Longevity	-	-	-	-	-	
Total: Personnel Costs	\$113,933	\$132,987	\$124,000	\$127,801	-\$5,186	-3.9%
Expenses						
Electricity	6,604	7,879	8,514	8,514	635	8.1%
Heating Fuel	20,548	19,089	16,960	16,960	(2,129)	-11.2%
Water	5,922	8,219	5,675	5,675	(2,544)	-31.0%
Repairs & Maintenance	4,684	6,566	8,728	8,728	2,162	32.9%
Equipment Rental	26,902	32,534	17,753	17,753	(14,782)	-45.4%
Laundry Service	5,326	5,512	9,970	9,970	4,457	80.9%
Advertising	6,274	6,237	11,403	11,403	5,166	82.8%
Contracted Services	773	75	596	596	521	694.9%
Food Delivery	334	149	518	518	369	247.5%
Refunds	-	290	150	150	(140)	-48.3%
Liquor, Beer & Wine	18,258	29,672	28,425	28,425	(1,247)	-4.2%
Telephone	2,904	2,997	3,070	3,070	73	2.4%
Postage	4	21	115	115	94	451.3%
Bank Credit Card Charges	3,203	3,233	4,658	4,658	1,424	44.1%
Office Supplies	1,920	951	2,070	2,070	1,119	117.7%
Materials/Supplies	2,505	4,359	3,491	3,491	(868)	-19.9%
Buildings and Grounds	18,548	23,074	20,525	20,525	(2,549)	-11.0%
Auto Mileage	-	88	250	250	162	184.1%
Liquor License	3,000	3,000	3,100	3,100	100	3.3%
Other Charges & Expenses	100	150	100	100	(50)	-33.3%
Capital Purchases >\$999<\$4999	15,580	17,081	-	-	(17,081)	
Subtotal Expenses:	\$143,387	\$171,176	\$146,069	\$146,069	-\$8,025	-14.7%
Indirects	46,460	47,622	48,812	48,812	1,191	2.5%
Total: Expense Costs	\$189,847	\$218,797	\$194,881	\$194,881	-\$6,835	-10.9%
Total: Stevens Dept. Costs	\$303,781	\$351,784	\$318,881	\$322,682	-\$12,021	-8.3%

Stevens Estate Personnel Listing					
Department	Title	FY14 STAFF POS.	FY15 STAFF POS.	FY16 STAFF POS.	VARIANCE + / (-)
Stevens Estate	Director	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total		1	1	1	0



Courtesy of Brenda Tomasz

STATISTICS

Demographic Profile of North Andover						
Age Distribution (2010 US Census)			Race & Ethnicity (2010 Census)			
	Persons	%			Persons	%
Under 5	1655	5.8		White	25144	88.69
5-14	4417	15.5		Black	506	1.78
15-44	10327	36.5		Am. Indian, Eskimo or Aleut	28	0.10
45-64	8185	28.9		Asian or Pacific Islander	1787	6.3
65 & over	3768	13.3		Hispanic Origin	458	1.62
				Other	429	1.51
				Total Population	28352	
Households by Type (2010 Census)						
			Households	%		
Family households			7324	69.6		
	with own children under 18		3796	36.1		
Married-couple family			5995	57		
	with own children under 18		3076	29.3		
Female householder, no husband present			1012	9.6		
	with own children under 18		575	5.5		
Nonfamily households			3192	30.4		
Householder living alone			2688	25.6		
	Householder 65 and over		1212	11.6		
		Average household size		2.62		
		Average family size		3.19		
Housing Units (2010 Census)						
			Units	%		
Total Units			10964			
Total Occupied			10516			
	Owner occupied		7769	73.9		
	renter occupied		2747	26.1		
Vacant for rent			159			
Vacant for sale			74			
Average household size of owner-occupied units				2.8		
Average household size of renter-occupied units				2.10		

Massachusetts Department of Revenue, Division of Local Services
North Andover at a Glance
(12/31/14)

County: ESSEX **Kind of Community:** Economically Developed **School Structure:** K to 12
Regional School Districts: Greater Lawrence, Essex County
Form of Government: Open Town Meeting, Selectmen, Town Manager

2012 Population:	28,422	2012 Labor Force:	14,238	2011 Unemployment Rate: 5.7%
2011 Per Capita Income	54,661	Housing Units per sq Mile	373.10	
EQV Per Capita:	156,435	2011 Road Miles	147.99	
2012 Number of Registered Voters	18,968	2012 Number of Registered Vehicles:	18968	

Bond Ratings

Moody's Bond Rating as of Dec 2012 Aa2
S & P Bond Rating as of Sept 2013 AA+

Fiscal Year 2015 Tax Classification

Tax Classification	FY15 Tax Rate	FY15 Tax Levy	FY15 Assessed Values	Revaluation
Residential	14.39	53,898,757	3,745,570,341	Most Recent - FY13
Open Space	0	0	0	Next Scheduled FY-15
Commercial	20.29	5,637,744	277,858,269	
Industrial	20.29	2,999,564	147,834,600	
Personal Property	20.29	2,495,931	<u>123,012,880</u>	
Total		65,031,996	4,294,276,090	

Fiscal Year 2015 Revenues by Source

Revenue Source		% of Total
Tax Levy	65,031,997	66.58%
State Aid	10,055,623	10.29%
Local Receipts	21,549,907	22.06%
Other Available	<u>1,042,453</u>	1.07%
Total	97,679,980	

Fiscal Year 2015 Proposition 2½ Levy Capacity

New Growth	793,341
Override	0
Debt Exclusion	1,705,850
Levy Limit	66,003,137
Excess Capacity	971,141
Ceiling	107,356,902
Override Capacity	43,059,615

Fiscal Year 2015 Estimated Cherry Sheet Aid

Education Aid	7,289,430
General Government	2,354,062
Total Receipts	9,643,492
Total Assessments	<u>460,309</u>
Net State Aid	9,183,183

Reserves

7/1/2014 Free Cash	5,407,340
FY13 Stabilization Fund	3,794,642
FY14 Overlay Reserve	530,315

Fiscal Year 2015 Average Single Family Tax Bill

Number of Single Family Parcels	6,258
Assessed Value of Single Family	476,092
Average Single Family Tax Bill	6851

Labor Force, Employment and Unemployment in North Andover					
(Source Massachusetts Department of Employment & Training)					
Year	Labor Force	Employment	Unemployment	Unemployment Rate	Statewide Rate
2000	13,706	13,397	309	2.3%	2.6%
2001	13,815	13,354	461	3.3%	3.7%
2002	13,724	13,024	700	5.1%	5.3%
2003	13,442	12,735	707	5.3%	5.8%
2004	13,217	12,625	592	4.5%	5.1%
2005	13,244	12,682	562	4.2%	4.8%
2006	13,365	12,818	547	4.1%	5.0%
2007	13,568	13,045	523	3.9%	4.5%
2008	13,419	12,797	622	4.6%	5.3%
2009	13,508	12,474	1,034	7.7%	8.4%
2010	14,068	13,046	1,022	7.3%	8.3%
2011	14,043	13,209	834	5.9%	7.3%
2012	13,964	13,152	812	5.8%	6.8%
2013	14,038	13,168	870	6.2%	6.7%
2014	15,277	14,514	763	5.0%	5.8%
2015*	15,776	15,046	730	4.6%	4.9%
* information as of June 30 2015					

LARGEST TAXPAYERS

The following shows the ten largest taxpayers:

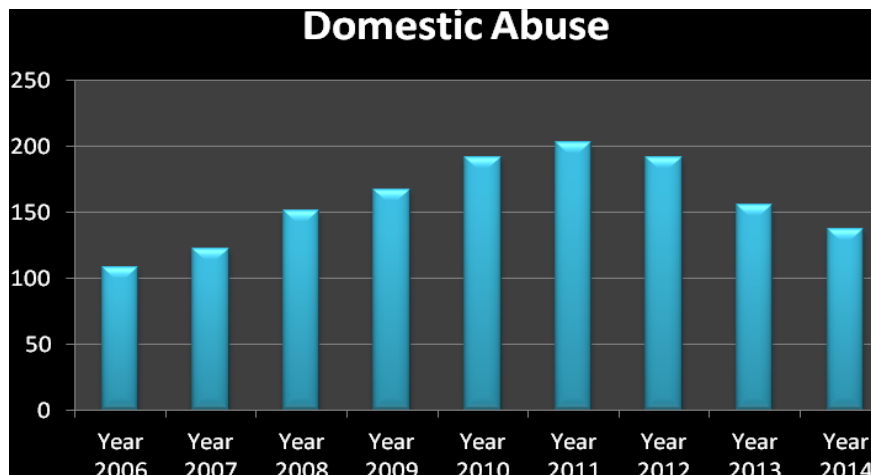
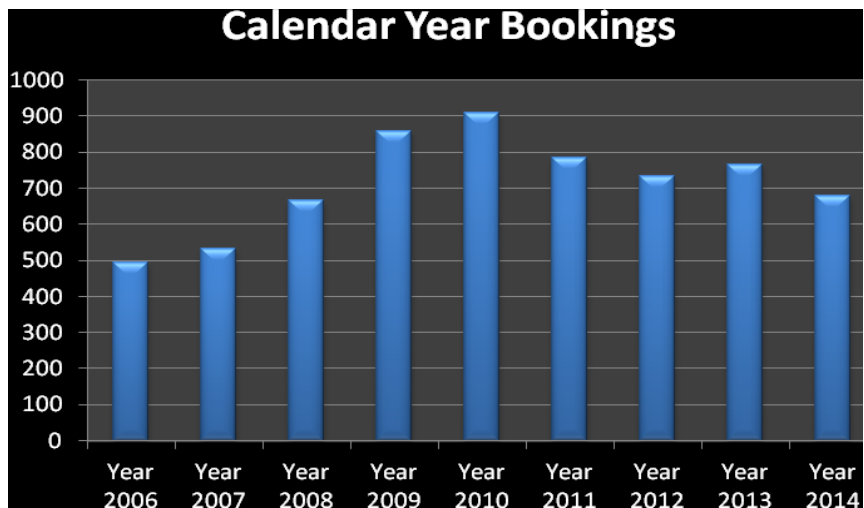
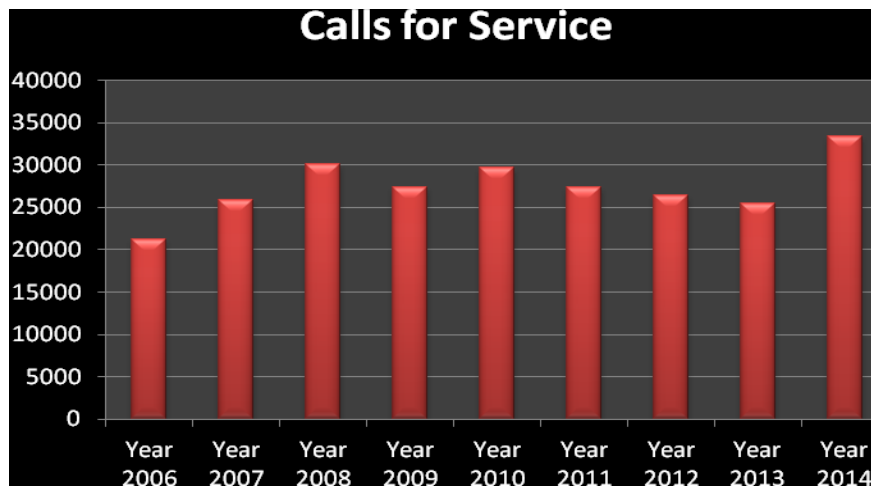
Name	Nature of Business	Fiscal 2015 Assessed Value	Amount of Tax	% of Total Levy
National Grid	Utility	\$ 44,382,060	\$ 900,512	1.32%
AIMCO (Royal Crest)	Apartments	53,769,990	773,750	1.22
Edgewood	Congregated Care/Nursing Home	37,808,040	\$ 767,125	1.16
Mansur Investment	Office/Manufacturing	15,000,000	\$ 304,350	0.70
Delta (Delta Realty Trust)	Shopping Mall	19,754,350	\$ 400,816	0.61
Ozzy Properties	Office	15,779,400	\$ 320,164	0.48
Wood Ridge Homes	Co-op homes	13,249,140	\$ 268,825	0.41
RCG North Andover Mills	Office	12,841,500	\$ 260,554	0.39
Eaglewood Properties	Retail	9,234,200	\$ 187,362	0.28
North Andover 2004	Office	6,691,600	135,773	<u>0.21</u>
Total		<u>\$ 228,510,280</u>	<u>\$ 4,319,231</u>	<u>6.78%</u>

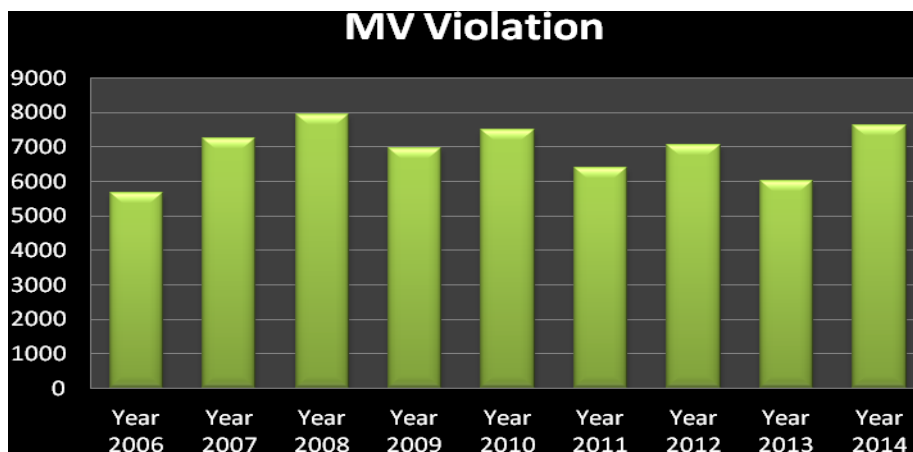
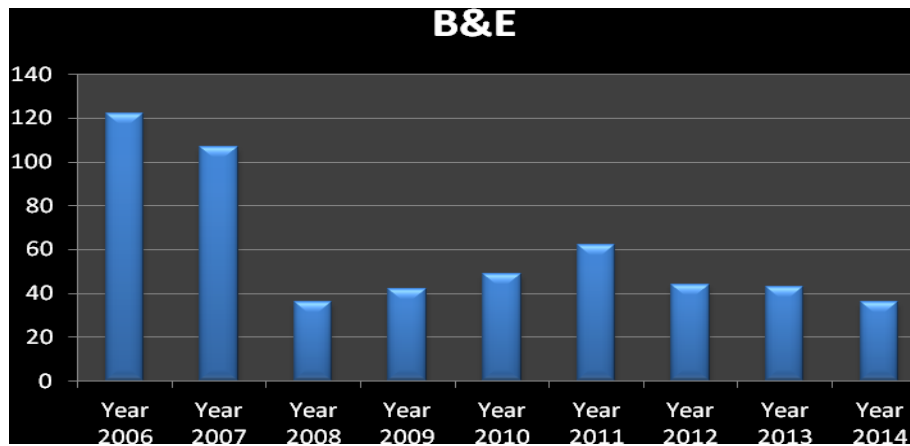
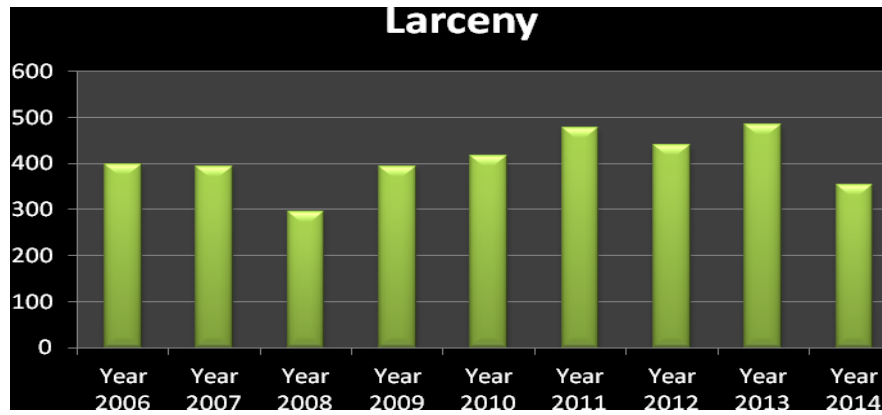
Sources: Town Assessors

DEPARTMENTAL STATISTICS															
Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014					
General Government															
Population	27,025	27,390	27,412	27,566	27,753	28,352	28,352	28,352	28,352	28,352					
Registered Voters, Annual Town Election	17,043	17,128	16,400	16,787	18,059	18,169	17,256	18,307	18,598	18,247					
Town Clerk															
Births	317	287	304	310	291	285	285	263	289	289					
Marriages	123	110	84	87	78	95	84	74	86	115					
Deaths	290	257	278	310	268	296	279	183	251	250					
Dog Licenses	1,947	2,033	2,348	2,308	2,396	2,314	2,361	2,110	2,390	2,132					
Business Certificates	105	101	78	89	110	87	91	84	92	87					
New Voter Registrations	387	884	785	1,746	612	1,099	866	1,523	1,450	797					
Passports	780	1,191	755	783	786	773	745	701	920	885					
Assessors															
Single Family	N/A	N/A	N/A	N/A	6,164	6,173	6,181	6,198	6,217	6,239					
Condominiums	N/A	N/A	N/A	N/A	1,898	1,915	1,929	1,951	1,985	2,028					
Misc Rec	N/A	N/A	N/A	N/A	27	28	30	31	30	29					
Two Family	N/A	N/A	N/A	N/A	426	423	420	419	421	417					
Three Family	N/A	N/A	N/A	N/A	43	43	44	44	43	44					
Four-eight Family	N/A	N/A	N/A	N/A	48	48	50	50	51	52					
Vacant land	N/A	N/A	N/A	N/A	512	492	468	489	462	441					
Residential/Commercial	N/A	N/A	N/A	N/A	37	38	36	37	36	35					
Commerical buildings and land	N/A	N/A	N/A	N/A	435	490	491	492	491	494					
Industrial buildings and land	N/A	N/A	N/A	N/A	82	84	84	84	8	83					
Personal Property Accounts	N/A	N/A	N/A	N/A	844	818	847	882	906	881					
Chapter 61 - Forestry Property	N/A	N/A	N/A	N/A	7	7	7	7	7	7					
Chapter 61A - Farm Property	N/A	N/A	N/A	N/A	143	145	139	137	137	137					
Chapter 61B - Recreational Land	N/A	N/A	N/A	N/A	9	9	8	7	7	7					
Exempt buildings and land	N/A	N/A	N/A	N/A	438	436	452	460	464	468					
Public Utilities	N/A	N/A	N/A	N/A	4	4	4	4	4	4					
Utilities valued by State	N/A	N/A	N/A	N/A	6	5	5	6	6	6					
Public Safety															
Police															
Complaints Issued	659	-	153	127	140	110	86	434	589	-					
Arrests	310	490	410	400	406	409	396	285	364	312					
Summons/Hearings	298	381	385	132	132	368	286	149	214	303					
Citations	3,451	4,956	5,004	4,399	3,742	3,748	2,953	2,938	3,646	2,707					
Parking tickets issued	731	1,091	821	920	680	624	645	548	484	-					
Total number of animal complaints	223	195	214	253	271	295	297	383	489	-					

Function/Program		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<i>Fire</i>											
	Incidents										
	Fire and Rescue	2,306	2,335	2,247	1,564	1,612	3,986	1,358	1,515	1,396	1,283
	Ambulance Calls	2,499	2,756	2,624	2,885	2,650	2,616	2,444	2,663	2,745	2,379
	Smoke Detectors	517	520	501	385	406	327	401	322	444	613
	Carbon Monoxide Detectors	-	-	392	349	377	314	377	295	412	587
	Fireworks Display Permits	1	1	1	1	1	1	1	1	1	1
	Liquid Gas Storage Permits	137	148	40	40	28	38	29	19	27	65
	Open Air Burning Permits	649	-	-	-	-	-	-	-	-	345
	Oil Burner Install Permits	35	51	40	35	46	70	45	26	47	26
	Sprinkler Inspections	-	16	81	49	23	13	27	23	32	35
	Underground Tank Installation	3	7	7	11	6	22	26	8	6	27
	Underground Tank Removals	9	8	3	4	13	6	7	8	2	5
	<i>Building Department</i>										
	Permits issued	2,487	2,744	2,381	2,456	2,214	2,470	2,375	2,774	3,080	3,207
Education											
	Public school enrollment	4,491	4,671	4,624	4,546	4,604	4,614	4,638	4,687	4,766	4,801
Human Services											
	<i>Planning</i>										
	Plan reviews	16	16	13	12	8	2	5	27	33	18
	<i>Board of Health</i>										
	Inspections										
	Food Est. (related permits& reviews)	151	147	192	198	198	179	288	225	234	352
	Septic (all related reviews/permits/inspections)	135	135	67	53	30	49	46	22	140	202
	OFFA Haulers/Trash Haulers & Placards	179	159	133	131	257	237	250	256	241	273
	Commercial Permits	201	248	264	246	256	254	262	266	241	295
	Professional Permits	40	63	70	75	75	83	82	89	53	101
	<i>Council on Aging</i>										
	Home delivered meals served	13,829	13,999	17,605	18,527	19,685	15,106	15,541	18,369	17,519	16,230
	Outreach Case Management	1,163	2,429	4,510	3,062	4,243	4,532	8,203	8,895	8,094	9,981
	Community Education	1,720	1,861	3,619	3,698	3,900	7,078	6,708	7,682	8,635	8,417
	Recreation	11,820	10,913	10,781	12,983	8,013	9,961	11,221	21,796	13,414	18,005
	Transportation	984	1,008	1,174	2,242	3,379	4,234	4,285	4,598	6,822	6,377
	<i>Youth & Recreation Services</i>										
	Memberships	N/A	N/A	N/A	N/A	611	646	656	694	709	691
	Summer Programs	N/A	N/A	N/A	N/A	75	792	814	854	798	832
	Overall Services	N/A	N/A	N/A	N/A	N/A	2,973	2,961	3,098	3,179	3,215

POLICE DEPARTMENT STATISTICAL GRAPHS





	<u>2015</u>
General Government	
Number of Buildings	13
Public Safety	
Police	
number of stations	1
Fire	
number of stations	2
Education	
number of elementary schools	5
number of preschools	1
number of middle schools	1
number of high schools	1
Public Works	
Water mains (miles)	148
Fire Hydrants	1515
Sanitary sewers (miles)	90
Storm sewers (miles)	99
Culture and Recreation	
Playgrounds	17
Parks	2
Playgrounds - Acreage	90
Parks - Acreage	11
Public Beaches	1
Ball Fields	39
Tennis Courts	6

Source: Various Town Departments

Glossary of Terms

Abatement. A complete or partial cancellation of a tax levy imposed by a governmental unit. Administered by the local board of assessors.

Accounting System. A system of financial recordkeeping, which record, classify and report information on the financial status and operation of a governmental unit or any of its funds, account groups, and organizational components.

Adopted Budget. The resulting budget that has been approved by the Town Meeting or City Council.

Annual Budget. An estimate of expenditures for specific purposes during the fiscal year (July 1-June 30) and the proposed means (estimated revenues) for financing those activities.

Appropriation. An authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and as to the time when it may be expended. Only town meeting or city council can authorize money appropriated for one purpose to be used for another. Any amount that is appropriated may be encumbered (see encumbrance). Any part of an annual operating appropriation not spent or encumbered by June 30 automatically reverts to the undesignated fund balance that may result in free cash. If departments know of remaining unpaid bills at the close of the fiscal year and properly notify the accountant/auditor (MGL Ch. 41 § 58), the departmental appropriation is encumbered to extend the annual spending authorization until such time that the bill is paid or it is decided not to spend the funds. If these encumbrances are not acted on within a year, the accountant generally notifies the department and closes them out. A special purpose appropriation, on the other hand, may carry forward from year to year until spent for the designated purpose or transferred by town meeting/city council vote to another account.

Arbitrage. Investing funds borrowed at a lower interest cost in investments providing a higher rate of return.

Assessed Valuation. A valuation set upon real or personal property by the local board of assessors as a basis for levying taxes.

Audit. A study of the Town's accounting system to ensure that financial records are accurate and in compliance with all legal requirements for handling of public funds, including state law and local charter.

Balanced Budget. A budget in which receipts are greater than (or equal to) expenditures. A requirement for all Massachusetts cities and towns.

Bond Anticipation Notes. Notes issued in anticipation of later issuance of bonds, usually payable from the proceeds of the sale of the bonds or renewal notes.

Bond Rating (Municipal). A credit rating to help investors determine the risk of losing money on a given fixed-income investment. Agencies specializing in municipal bonds assign a rating, designated by letters or a combination of letters and numerals, based on their opinion of the future ability, legal obligation, and willingness of a bond issuer to make timely debt service payments.

Budget (Operating). A plan of financial operation embodying an estimate of proposed expenditures for a given time period and the proposed means of financing.

Budget Calendar. The schedule of key dates or milestones which a government follows in the preparation and adoption of the budget.

Budget Message. A statement by the municipality's policy makers summarizing the plans and policies contained in the budget report, including an explanation of the principal budget items, an outline of the municipality's experience during the past year and its financial status at the time of the message, and recommendations regarding financial policy for the coming fiscal year.

Capital Improvements Program. A comprehensive plan for planning a community's capital expenditures. It coordinates community planning, fiscal capacity and physical development. While all of the community's needs should be identified in the program, there is a set of criteria that prioritizes the expenditures. The capital program is a plan for capital expenditures that usually extends at least five years beyond the capital budget.

Chapter 90 Highway Funds. The state legislature authorizes and issues transportation capital bonds every few years. In each Transportation Bond, funds are apportioned to communities based on a formula under the provisions of MGL Ch. 90 § 34, hence the term Chapter 90 funds. The Chapter 90 highway formula is comprised of three variables: local road mileage (58.33 percent) as certified by the Massachusetts Highway Department (MHD), employment figures (20.83 percent) from the Department of Employment and Training (DET), and population estimates (20.83 percent) from the US Census Bureau. Under this formula, those communities with a larger number of road miles receive proportionately more aid than those with fewer road miles. These funds are reimbursed to communities based on certified expenditure reports submitted to MHD.

Cherry Sheets. Named for the cherry colored paper on which they were originally printed, the Cherry Sheets are the official notification of the next fiscal year's state aid and assessments to communities and regional school districts from the Commissioner of Revenue. State aid to municipalities and regional school districts consists of two major types -- distributions and reimbursements. Distributions provide funds based on formulas while reimbursements provide funds for costs incurred during a prior period for certain programs or services. In addition, communities may receive "offset items" that must be spent on specific programs. Cherry Sheet Assessments are advance estimates of state assessments and charges. Local assessors are required to use these figures in setting the local tax rate. Because these figures are estimates, it should be noted that based on filing requirements and/or actual information, the final aid or assessment may differ.

Debt Limit. The maximum amount of debt that a municipality may have authorized for qualified purposes under state law.

Debt Service. The cost, usually stated in annual terms, of the principal repayment and interest of any particular issue.

Deficit. The excess of expenditures over revenues during an accounting period. Also refers to the excess of the liabilities of a fund over its assets.

Department. A principal, functional and administrative entity created by the Town Manager in accordance with the Charter to carry out specified public services.

Encumbrance. Obligations in the form of purchase orders and contracts which are chargeable to an appropriation is reserved. They cease to be encumbrances when paid or when an actual liability is set up.

Enterprise Funds. An accounting mechanism that allows a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy, if any. With an enterprise fund, all costs of service delivery-- direct, indirect, and capital costs--are identified. This allows the community to recover total service costs through user fees if it chooses. Enterprise accounting also enables communities to reserve the "surplus" or retained earnings generated by the operation of the enterprise rather than closing it out to the general fund at year-end. According to MGL Ch. 44 § 53F¹/₂, the services that may be treated as enterprises include, but are not limited to, water, sewer, hospital, and airport services.

Equalized Valuations (EQVs). The determination of an estimate of the FFCV of all property in the Commonwealth as of a certain taxable date. EQVs have historically been used as a variable in distributing some state aid accounts and for determining county assessments and other costs. The Commissioner of Revenue, in accordance with MGL Ch. 58 § 10C, is charged with the responsibility of biannually determining an equalized valuation for each city and town in the Commonwealth.

Expenditures. The amount of money, cash or checks, actually paid or obligated for payment from the treasury.

Fiscal Year. Since 1974, the Commonwealth and municipalities have operated on a budget cycle that begins July 1 and ends June 30. The designation of the fiscal year is that of the calendar year in which the fiscal year ends. For example, the 2015 fiscal year is July 1, 2014 to June 30, 2015 and is usually written as FY2015. Since 1976, the federal government has had a fiscal year that begins October 1 and ends September 30.

Free Cash (Also Budgetary Fund Balance). Unrestricted funds from operations of the previous fiscal year that are certified by the Director of Accounts as available for appropriation. Remaining funds include unexpended free cash from the previous year, receipts in excess of estimates shown on the tax recapitulation sheet, and unspent amounts in budget line-items. Unpaid property taxes and certain deficits reduce the amount that can be certified as free cash. The calculation of free cash is based on the balance sheet as of June 30, which is submitted by the community's auditor, accountant,

or comptroller. A community should maintain a free cash balance to provide a hedge against unforeseen expenditures and to ensure there will be an adequate reserve to prevent sharp fluctuations in the tax rate. Maintenance of an adequate free cash level is not a luxury but a necessary component of sound local fiscal management. Credit rating agencies and other members of the financial community expect municipalities to maintain free cash reserves and make judgments regarding a community's fiscal stability, in part, on the basis of free cash.

Full and Fair Cash Value (FFCV). Fair cash value has been defined by the Supreme Judicial Court as "fair market value, which is the price an owner willing but not under compulsion to sell ought to receive from one willing but not under compulsion to buy. It means the highest price that a normal purchaser not under peculiar compulsion will pay at the time, and cannot exceed the sum that the owner after reasonable effort could obtain for his property. A valuation limited to what the property is worth to the purchaser is not market value. The fair cash value is the value the property would have on January first of any taxable year in the hands of any owner, including the present owner" (Boston Gas Co. v. Assessors of Boston, 334 Mass. 549, 566 (1956)).

Fund. An accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

Fund Balance. The amount remaining when balance sheet stated amount of liabilities including reservations are subtracted from the balance sheet stated amount of assets.

Fund Accounting. Organizing the financial records of a municipality into multiple funds. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the general fund and enterprise funds. Communities whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.

General Fund. The fund used to account for most financial resources and activities governed by the normal town meeting/city council appropriation process.

General Obligation Bonds. Bonds issued by a municipality that are backed by the full faith and credit of its taxing authority.

Grant. A contribution of assets by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the state and federal government. Grants are usually made for specific purposes.

Interfund Transactions. Payments from one administrative budget fund to another or from one trust fund to another, which result in the recording of a receipt and an expenditure.

Levy. The amount a community raises through the property tax. The levy can be any amount up to the levy limit.

Levy Ceiling. The maximum levy assessed on real and personal property may not exceed 2 ½ percent of the total full and fair cash value of all taxable property (MGL Ch. 59 § 21C). Property taxes levied may exceed this limit only if the community passes a capital exclusion, a debt exclusion, or a special exclusion.

Levy Limit. The maximum amount a community can levy in a given year. The limit can grow each year by 2 ½ percent of the prior year's levy limit plus new growth and any overrides. (MGL Ch. 59 § 21C (f & g)). The levy limit can exceed the levy ceiling only if the community passes a capital expenditure exclusion, debt exclusion, or special exclusion.

Net School Spending (NSS). School budget and municipal budget amounts attributable to education, excluding long-term debt service, student transportation, school lunches and certain other specified school expenditures. A community's NSS funding must equal or exceed the NSS Requirement established annually by the Department of Education (DOE) (Education Reform Act of 1993).

New Growth. The taxing capacity added by new construction and other increases in the property tax base. New growth is calculated by multiplying all increases in value which are not the result of revaluation by the tax rate of the previous fiscal year. For example, FY2003 new growth is determined by multiplying the value on January 1, 2002 by the FY2002 tax rate. Assessors must submit documentation of new growth to the BLA annually before setting the tax rate

Operating Budget. A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

Overlay (Overlay Reserve or Allowance for Abatements and Exemptions). An account established annually to fund anticipated property tax abatements, exemptions and uncollected taxes in that year. The overlay reserve is not established by the normal appropriation process, but rather is raised on the tax rate recapitulation sheet.

Override. A vote by a community at an election to permanently increase the levy limit. An override vote may increase the levy limit no higher than the levy ceiling. The override question on the election ballot must state a purpose for the override and the dollar amount. See underride.

Override Capacity. The difference between a community's levy ceiling and its levy limit. It is the maximum amount by which a community may override its levy limit.

Personal Property Tax. Movable items not permanently affixed to, or part of the real estate. It is assessed separately from real estate to certain businesses, public utilities, and owners of homes that are not their primary residences.

Proposition 2½. A law which became effective on December 4, 1980. The two main components of the tax law relating to property taxes are: 1) the tax levy cannot exceed 2 ½ % of the full and fair cash value, and 2) for cities and towns at or below the above limit, the tax levy cannot exceed the

maximum tax levy allowed for the prior by more than 2 ½ % (except in cases of property added to the tax rolls and for valuation increases of at least 50% other than as part of a general revaluation).

Purchase Order. A document issued to authorize a vendor or vendors to deliver specified merchandise or render a specified service for a stated estimated price. Outstanding purchase orders are called encumbrances .

Rating Agencies. This term usually refers to Moody's Investors Service and Standard and Poor's Corporation. These services are the two major agencies which issue credit ratings on municipal bonds.

Registered Bonds. Bonds registered on the books of the issuer as to ownership; the transfer of ownership must also be recorded on the books of the issuer. Recent changes in federal tax laws mandate that all municipal bonds be registered if their tax exempt status is to be retained.

Reserve Fund. An amount set aside annually within the budget of a city (not to exceed 3% of the tax levy for the preceding year) or town (not to exceed 5% of the tax levy for the preceding year) to provide a funding source for extraordinary or unforeseen expenditures. In a town, the finance committee can authorize transfers from this fund for "extraordinary or unforeseen" expenditures. Other uses of the fund require budgetary transfers by town meeting. In a city, transfers from this fund may be voted by the city council upon recommendation of the mayor.

Revaluation. The assessors of each community are responsible for developing a reasonable and realistic program to achieve the fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors' analysis and consideration of many factors, including, but not limited to, the status of the existing valuation system, the results of an in-depth sales ratio study, and the accuracy of existing property record information. Every three years, assessors must submit property values to the DOR for certification. Assessors must also maintain current values in the years between certifications so that each taxpayer in the community pays his or her share of the cost of local government in proportion to the value of his property.

Revenues. All monies received by a governmental unit from any source.

Revolving Fund. Allows a community to raise revenues from a specific service and use those revenues without appropriation to support the service. For departmental revolving funds, MGL Ch. 44 § 53E½ stipulates that each fund must be re-authorized each year at annual town meeting or by city council action, and that a limit on the total amount that may be spent from each fund must be established at that time. The aggregate of all revolving funds may not exceed ten percent of the amount raised by taxation by the city or town in the most recent fiscal year, and no more than one percent of the amount raised by taxation may be administered by a single fund. Wages or salaries for full-time employees may be paid from the revolving fund only if the fund is also charged for all associated fringe benefits. Revolving funds for other programs as provided by statute are still allowed, and a departmental revolving fund may be implemented in addition to or in conjunction with

other existing statutory revolving funds, provided that the departmental revolving fund does not conflict with provisions of other revolving funds.

Stabilization Fund. A fund designed to accumulate amounts for capital and other future spending purposes, although it may be appropriated for any lawful purpose. (MGL Ch. 40 § 5B). Communities may appropriate into this fund in any year an amount not to exceed ten percent of the prior year's tax levy or a larger amount with the approval of the Emergency Finance Board. The aggregate of the stabilization fund shall not exceed ten percent of the community's equalized value, and any interest shall be added to and become a part of the fund. A two-thirds vote of town meeting or city council is required to appropriate money from the stabilization fund.

Tax Anticipation Notes. Notes issued in anticipation of taxes, which are retired from taxes collected.

Tax Rate. The amount of tax stated in terms of a unit of the tax base. Prior to a 1978 amendment to the Massachusetts Constitution, a single tax rate applied to all of the taxable real and personal property in a City or town. The 1978 amendment allowed the legislature to create three classes of taxable property:

1) residential real property, 2) open space land, and 3) all other (commercial, industrial, and personal property). Within limits, cities and towns are given the option of determining the share of the levy to be borne by the different classes of property. The share borne by residential real property must be at least 65% of the full rate. The share of commercial, industrial, and personal property must not exceed 150% of the full rate. Property may not be classified until the State Department of Revenue has certified that all property has been assessed at its full value.

Tax Rate Recapitulation Sheet (also Recap Sheet). A document submitted by a city or town to the DOR in order to set a property tax rate. The recap sheet shows all estimated revenues and actual appropriations that affect the property tax rate. The recap sheet should be submitted to the DOR by September 1 (in order to issue the first-half semiannual property tax bills before October 1) or by December 1 (in order to issue the third quarterly property tax bills before January 1).

Tax Title. A collection procedure that secures a lien on real property and protects the municipality's right to payment of overdue property taxes. Without following this procedure, the lien on real property expires if five years elapse from the January 1 assessment date and the property has been transferred to another owner. If amounts remain outstanding on the property after issuing a demand for overdue property taxes and after publishing a notice of tax taking, the collector may take the property for the city or town. After properly recording the instrument of taking, the collector transfers responsibility for collecting the overdue amounts to the treasurer.

Underride. A vote by a community to permanently decrease the tax levy limit. As such, it is the exact opposite of an override.

Unreserved Fund Balance (Surplus Revenue Account). The amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. It's akin to a "stockholders' equity" account on a corporate balance sheet. It is not, however, available for appropriation in full

because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected. See free cash.

Valuation (100%). The legal requirement that a community's assessed value on property must be the same as its market or full and fair cash value.

Warrant. An authorization for an action. For example, a town meeting warrant establishes the matters that may be acted on by that town meeting. A treasury warrant authorizes the treasurer to pay specific bills. The assessors' warrant authorizes the tax collector to collect taxes in the amount and from the persons listed, respectively.

ACRONYMS

ADA	Americans Disabilities Act	GIC	Group Insurance Commission
ANR	Approval not required	GIS	Geographic Information System
B/P	Blood Pressure	ICS 100	Incident Command System
BOH	Board of Health	IT	Information Technology
CAFA	Comprehensive Annual Financial Report	JNHYC	Joseph N Herman Youth Center
CAMA	Computer Assisted Mass Appraisal	MA DEP	Massachusetts Department of Environmental Protection
CIP	Capital Improvement Program	MCC	Metropolitan Communications LLC
CMR	Commonwealth of Massachusetts Regulations	MGL	Mass General Law
COA	Certificate of Appreciation	MIIA	MIIA Property & Casualty Insurance
CPA	Community Preservation Act	MOVET	Marts Onecall/click Veterans Portal
CPC	Community Preservation Committee	MPO	Metropolitan Planning Organization
CSC	Community Software Consortium	MVLC	Merrimack Valley Library Consortium
DOR	Department of Revenue	MVRTA	Merrimack Valley Regional Transit Authority
EMS	Emergency Management Systems	NACAM	North Andover CAM
EOC	Emergency Operations Center	NAHS	North Andover High School
ESCO	Energy Service Company	NAMS	North Andover Middle School
FCC	Federal Communications Commission	NaNoWriMo	National Novel Writers Month
FDK	Full Day Kindergarten	NCSS	Number Cruncher Statistical System
FEMA	Federal Emergency Management Association	NERAC	North East Regional Advisory Council
FONAT	Friends of North Andover Trails	NEMLEC	Northeastern Massachusetts Law Enforcement Council
FTE	Full Time Equivalent	NIMS 700	National Incident Management System
GAAP	General Accepted Accounting Principals	NPDES	National Pollutant Discharge Elimination System
GFOA Association	Government Finance Officers		

NVOC	Northeast Veterans Outreach Center
OPEB	Other Post Retirement Benefits
PEC	Public Employee Committee
PILOT	Payment In Lieu of Taxes
PTE	Part Time Equivalent
R/T	Round Trip
RFP	Request for Proposal
SCBA	Self-Contained Breathing Apparatus
SPED	Special Education
SPSS	Statistical Package for the Social Sciences
TFL	Target Funding Level
UMAS	Uniform Municipal Accounting System
VFD	Variable Frequency Drive
WTP	Water Treatment Plant

